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ECONOMIC POLICY, ORGANIZATION AND MANAGEMENT

BOOKLETS REVIEW SOVIET ECONOMY'S DEVELOPMENT

Moscow PLANOVOYE KHOZYAYSTVO in Russian No 1, Jan 82 pp 122-124

/Review by M. Smirnov and A. Semenov, chief of a sector of the Central Institute of Economic Mathematics of the USSR Academy of Sciences, of the series of booklets "Ekonomika SSSR: 1981-1985" /The USSR Economy: 1981-1985/, "Ekonomika", Moscow, 1981: "The USSR Economy During the New Five-Year Plan"/

/Text/ The works included in this series reveal the interconnection of the set of major problems of socioeconomic development with the specific means of their solution during the 11th Five-Year Plan. In the booklets (and there are 12 of them) the problems of increasing the efficiency of the national economy in the various directions of its development are studied, urgent questions of management, the prospects of the development of social production, manpower resources, the agro-industrial complex, scientific and technical progress, capital construction, trade and consumer cooperatives, competition, the experience and prospects of socialist economic integration are analyzed.

The series begins with the work of A. G. Aganbegyan, "Upravleniye i effektivnost'" /Management and Efficiency/. The improvement of management, it is emphasized in it, is becoming the main lever of the increase of the efficiency of the economy and its changeover to the path of intensive development. The author cites a clear definition of the role and place of the factors of intensive development, which determine the nature and trends of economic growth at the present stage, and shows their interrelationship and interaction with extensive factors.

In analyzing these problems, A. G. Aganbegyan evaluates the actual trends of economic development and critically examines several oversimplified views of its rate and proportions. He focuses attention on the need for the improvement of the mechanism of the management of scientific and technical progress--the most important factor of the intensification of the national economy and the increase of labor productivity in all the sectors and links of social production.

The work, which is distinguished by a logical statement of the material and a sound structure, will arouse the interest of not only the reader at large, to whom the publication first of all caters, but also research economists and the workers of the organs of planned management.

Important national economic problems are covered in the booklet of G. T. Vlasenkov and V. A. Silin, "Perspektivy ekonomicheskogo razvitiya SSSR" /The Prospects of

USSR Economic Development⁷. In studying the trends and features of the development of the USSR economy in the 1970's, the authors give a detailed picture of its progress along the path of the building of the material and technical base of communism and the increase of the material and spiritual standard of living of the Soviet people. Here much factual material, which characterizes the most important results of the economic and social development of the country, is used extensively. The authors also note certain difficulties in the USSR economy during the indicated period. At the same time, obviously, they should have dwelt in more detail on some problems of economic activity, which complicated its development during those years.

When examining the prospects of the development of the Soviet economy, the authors single out the problems of the fuel and power, machine building and agro-industrial complexes. Much attention is devoted to the analysis of the main directions of scientific and technical progress and the realization of its achievements in various spheres of the national economy and to questions of the economy of all types of resources and environmental protection. The means of developing the economy as a whole, individual sectors and national economic complexes are studied in interrelationship with the means of increasing the efficiency of social production and of intensifying it. In this part the booklet is to a considerable extent of a survey nature.

In the work of B. P. Plyshevskiy, "Effektivnost' obshchestvennogo proizvodstva: puti povysheniya" /The Efficiency of Social Production: Means of Increasing⁸/, the results of the socioeconomic development of the country in the 1970's are cited, the main measures of the economic policy of the party, which have been outlined for the 11th Five-Year Plan, are analyzed. In aggregate the directions of this policy determine the specific group of economic problems, the most important of which is the increase of the efficiency of social production and its intensification. The scope and complexity of the given problems and the multitude of means of their practical solution afford researchers extensive opportunities for the choice of the best, from the standpoint of the author, methods of their analysis. B. P. Plyshevskiy provides interesting material which in many ways is of a problematic nature.

The booklet of K. A. Yefimov, "Nauchno-tekhnicheskiy progress i effektivnost' proizvodstva" /Scientific and Technical Progress and Production Efficiency⁹/, is devoted to the leading directions of scientific and technical progress, the importance of which was discussed at the 26th CPSU Congress. The forms and methods of realizing the achievements of science and technology in various sectors of the national economy are examined in it. Particular attention is devoted to the reorganization of technological processes and the use of new types of equipment and means of controlling technological processes, the effect of the increase of the technical level of production on its individual sections is analyzed. The author also touches upon the problems of using organizational economic factors, which are conducive to the acceleration of the introduction of the achievements of science and technology in the national economy.

The large amount of information on the new achievements of scientific and technical progress, which are being realized in various sectors of physical production, the evaluation of the impact obtainable as a result of the introduction of these achievements, many examples which illustrate the possibilities of the reorganization of production on a new technical basis--all this, in our opinion, is of interest for a wide range of readers.

A number of new aspects of investment policy are analyzed in the booklet of V. I. Shcheglovskiy, "Kapital'noye stroitel'stvo v odinnadtsatoy pyatiletke" /Capital Construction During the 11th Five-Year Plan/. The author examines the results of the past five-year plan, the tasks set in the area of capital construction by the 26th CPSU Congress and the measures on their accomplishment. Considerable attention is devoted to the structural changes in this area, which are being accomplished in conformity with the requirements of the priority development of the fuel and energy sectors, the production of advanced structural materials, the leading sectors of machine building, the material and technical base of transportation, the sectors of the agro-industrial complex and the nonproductive sphere. Much space in the booklet is allotted to the analysis of the problems of the development of the material and technical base of capital construction, the introduction here of the latest technical achievements, the improvement of project planning and estimating, the increase of the level of the planning and management of construction and the formulation of new forms and methods of its organization.

The work of V. F. Pavlenko and V. S. Varlamov, "Territorial'noye razvitiye narodnogo khozyaystva" /The Territorial Development of the National Economy/, is devoted to questions which have been among the most important ones since the first days of the existence of the Soviet state. The authors regard the 1980's as a new stage of their gradual solution. An analysis of the problems of the combination of sectorial and territorial development and of the means of improving planning activity, which is aimed at their solution on the level of regions, sectors, intersectorial complexes and the unified national economic complex of the country, is given in the booklet. The singling out of the questions, which require further detailed elaboration and practical solution, also seems legitimate. Among them, in particular, are the strengthening of the influence of local soviets on the development of social production on the territory subordinate to them and their participation in sectorial and territorial planning. The conclusions of the authors about the need for the broadening of preplanning studies and the improvement of the planning with respect to intersectorial complexes and about the development of balance sheet methods of territorial planning are valid. The various aspects of planning activity in the area of the territorial development of the national economy are shown quite thoroughly in the work and are stated in a form that is comprehensible to the reader at large.

Interesting and abundant material is contained in the booklet of L. A. Kostin, "Trudovyye resursy v odinnadtsatoy pyatiletke" /Manpower Resources During the 11th Five-Year Plan/. The author analyzes a number of problems of the efficient use of manpower resources and the directions of the improvement of the planned management of this complex area of economic and, in many ways, social policy. The structure of the work is conducive to the complete revelation of the specific features of the present situation with manpower resources in our country: the factors checking the increase of the efficiency of their use; the measures aimed at its increase, the increase of skills and the improvement of the structure of employment. L. A. Kostin also does not avoid the raising of a number of acute problems, striving to form for the reader sound ideas about existing reality, the means and forms of the solution of ripe problems. The used numerical material, which is integrally combined with the assumptions being advanced, makes it possible to illustrate the raised problems and serves as the basis for their analysis.

The work of S. I. Shkurko, "Sorevnovaniye v novykh usloviyakh khozyaystvovaniya" /Competition Under the New Conditions of Management/, is devoted to complicated

economic and social problems. The difficulty is that socialist competition, which is a factor which directly influences the increase of the final result of social production, cannot become an object of planned management on equal terms with it. The plan is an organizing and guiding means in the management of competition, but, as the author justly notes, it is impossible to provide for creative initiative from above. The mobilization of the creative activity of the workers and the development of their initiative are far from a simple matter, in spite of the simplified approach to the problems of the organization of competition, which are encountered in economic and especially popular literature, as well as at the works.

Particular attention in the work is focused on the questions of the drafting and adoption of socialist obligations for a period which goes beyond the annual plans and on the realization of the obligations adopted for the 5-year period.

In examining the problems of stimulation in the organization of competition, the author places the emphasis on material stimuli. In our opinion, it would have been advisable to cast light upon the role and place in competition of moral stimuli, the use of which is often still of a formal nature.

The booklet of G. P. Rudenko, "Razvitiye agropromyshlennogo kompleksa v odinnadtsatoy pyatiletke" /The Development of the Agro-Industrial Complex During the 11th Five-Year Plan/, is topical. As is known, a considerable number of works on the questions of the formation and efficiency of this complex and the cooperation of the sectors belonging to it have appeared in recent years. The author reveals in detail the practical means of implementing the measures of the party agrarian policy and the tasks which face each of the sectors of the agro-industrial complex. On this basis he logically turns to the analysis of the main directions of the elaboration and implementation of the food program, singling out the problem of the further increase of the production of grain and other products of farming and the products of animal husbandry and fodder production. The private plot is regarded as an additional source of food resources. Here the valid opinion is expressed that the absolute volumes of the output of products on the private plot on the national scale should not decrease.

G. P. Rudenko covers the complicated economic and social problems of the development of the agro-industrial complex from the standpoint of the further increase of the efficiency of its functioning. The questions of the formation of an efficient structure of productive capital and the intensification of its use are acquiring fundamental importance here. The means of increasing efficiency in various sectors of agricultural production and the sectors of the agro-industrial complex, which are connected with it, and of improving the economic mechanism are shown on the basis of specific examples.

The increase of the efficiency of social production is inconceivable without the corresponding increase of the efficiency of the sale of the products being delivered to the sphere of national consumption. The most important link of sales is trade, the urgent problems of the development of which are revealed in the work of A. I. Struyev, "Torgovlya v odinnadtsatoy pyatiletke" /Trade During the 11th Five-Year Plan/ . The author touches upon a wide range of questions which are connected both with the direct trade service of the population and with the functioning of the entire trade system, including storage, transportation, the giving of a marketable form, which is most convenient for the consumer, to the products and their final sale.

The booklet of A. A. Smirnov, "Potrebitel'skaya kooperatsiya v odinnadtsatoy pyatiletke" /Consumer Cooperatives During the 11th Five-Year Plan/, is close thematically to the preceding work. The sphere of activity of consumer cooperatives is important in the supply of the population with diverse goods, including by means of the formation of their own marketable commodities. The consumer cooperatives are steadily increasing their economic, organizational and technical potential. The author analyzes their functions, the most important of which is trade in consumer goods in rural areas. At the same time the large untapped reserves in the organization of procurement are revealed.

Topical and well-selected material is presented in the work of V. V. Sitnin, "Sotsialisticheskaya ekonomicheskaya integratsiya. Opyt i perspektivy" /Socialist Economic Integration. The Experience and Prospects/. In it the basic results and features of the economic development of the socialist community and of the countries belonging to it in the 1970's are examined, an evaluation of the role and place of mutual economic, scientific and technical relations is given, new forms of cooperation in the intensification of the international socialist division of labor are indicated. One of the merits of the work is the detailed description of the mechanism of the cooperation of the CEMA countries, the combination of national planning and joint planning activity in the development of the integration process.

Much attention in the booklet is devoted to such new forms of multilateral cooperation as the drafting and implementation of a coordinated plan of multilateral integration measures and long-range goal programs of cooperation.

Summarizing the analysis of the works included in the series, it should be emphasized that the presented material, the selection of authors and the efficiency of the publication--all this merits a favorable rating. At the same time not all of the problems raised in the individual works of the series were covered at an equally high level, the group of examined questions could have been enlarged. Already well-known facts, which have been published in the press, are frequently cited.

As a whole, in spite of the provided remarks, the publication of the series "Ekonomika SSSR: 1981-1985" will promote the acquaintance of the reader at large with the most important directions, forms and methods of the effective realization of the economic policy of the party during the 11th Five-Year Plan.

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INDUSTRIAL DEVELOPMENT AND PERFORMANCE

WAYS OF IMPROVING, ANALYSIS OF PRODUCT QUALITY EXAMINED

Moscow EKONOMICHESKAYA GAZETA in Russian No 49, Dec 81 pp 11-14

[Instructional materials for the Economic Education System: "Product Quality and Efficiency"]

[Text] In the 1981-1982 academic year, the economic education system is commencing an extensive study of new subjects: "Carefulness--A Communist Trait" (for workers and kolkhoz members) and "An Economic Economy" (for specialists and leaders). The studies for the workers in these subjects have been organized in accord with the decree of the CPSU Central Committee and the USSR Council of Ministers "On Improving Work on Economy and the Rational Use of Raw Products, Fuel, Energy and Other Material Resources."

To help the propagandists and students, EKONOMICHESKAYA GAZETA is systematically publishing instructional materials for studying the corresponding subjects (see the special issues in Nos 39, 41, 43, 45 and 47). In the present 49th issue of the weekly, materials are being published on the subjects "Higher Product Quality with Fewer Expenditures" and "Product Quality on a Level of the Best World and Domestic Models." The publishing of materials to help those studying the new subjects will be continued.

Improved product quality and an improving of the product's consumer properties which make it possible to better satisfy the needs of purchasers are inseparably linked to the intensification and efficiency of production.

The previous subjects examine the factors involved in raising efficiency by saving on labor expenditures (increased productivity), the full loading of machinery and equipment (an increase in the return on investment) and the economic use of raw products, materials, fuel and electric power (a reduction in the material intensiveness of the product).

But a reduction of expenditures in production is only one aspect in the struggle to increase efficiency. The other, related aspect is the obtaining of higher end results from the production collective's activities. Certainly it is possible to economize everywhere but not to fulfill the plan quota in terms of the product range

and assortment, to ship poor quality products to the consumers and commit other instances of mismanagement. All of this can sharply reduce the end production efficiency and cause great harm both to the given enterprise as well as to the national economy as a whole.

The quality of the produced product serves as one of the most important indicators for end production efficiency. By quality, one understands the aggregate of product properties which determine the ability to satisfy certain needs in accord with the product's purpose.

A systematic rise in the quality of the produced product is an obligatory demand for economic development and for raising social production efficiency. The 26th CPSU Congress pointed out that the level of the demands made upon product quality should be the highest. "The matching of the best world and Soviet models--we should settle for nothing less," emphasized L. I. Brezhnev in the report at the Congress. "We must accustom ourselves to this, we should work decisively for this in discarding all that is obsolete, backward and devalued by life itself."

During the Tenth Five-Year Plan extensive work was done to improve product quality. At present over 85,000 industrial articles are produced with the state Quality Mark, or 3-fold more than in 1975. According to the data, on 1 July 1981, the share of superior quality product in the total volume of industrial product was around 16 percent in comparison with 2.5 percent in 1975.

A great deal remains to be done to further product quality in all the sectors during the 11th Five-Year Plan.

The "Basic Directions in the Economic and Social Development of the USSR for 1981-1985 and for the Period Up to 1990" approved at the 26th Congress posed the task of significantly improving the quality of all types of produced product as well as broadening and renewing the assortment of products in accord with the modern requirements of national economic development and scientific-technical progress and the growing needs of the public. There is to be an ongoing increase in the proportional amount of superior quality product in the total volume of product output and comprehensive systems for product quality control are to be actively introduced.

A rise in product quality ensures a significant savings of social labor. This applies primarily to the means of production. High quality, modern machine tools, machinery and equipment make it possible to raise labor productivity and save raw products and materials. For example, during the 10th Five-Year Plan due to increased reliability and precision and to automated control, the productivity of equipment produced by the machine tool building industry rose by an average of 1.3-1.8-fold; the productivity of individual types of agricultural machines increased from 5 to 50 percent.

Specific measures aimed at increasing the technical level of production have also been outlined in the decree of the CPSU Central Committee and the USSR Council of Ministers on improving the economic mechanism. In accord with this, a regulation has been worked out on complete deliveries of production equipment, production lines, units, mechanization and automation, control and inspection (see EKONOMICHE-SKAYA GAZETA, No 4, 1980). A special section of this regulation stipulates the

conditions which ensure the quality of the complete production lines, units and assemblies.

Of important national economic significance is improved quality of consumer goods. This makes it possible in a more complete and diverse manner to satisfy the growing needs of the Soviet people and helps to raise the prosperity of the people. The great significance given by our party and state to improving the quality of consumer goods can be seen from the decree adopted this year by the CPSU Central Committee and the USSR Council of Ministers "On Increasing the Production of Mass Consumer Goods, Improving the Quality and Bettering Their Assortment in 1981-1985."

During the 11th Five-Year Plan the forms of the struggle to improve product quality are to be significantly enriched. Great attention is to be paid to certifying pre-assembled assemblies and parts produced within enterprise subcontracting arrangements for the higher quality categories. The task has been set of improving product and service quality in all the national economic sectors. This means that now the workers of all the sectors of material production will participate in the work of improving quality, including industry, agriculture, construction, transportation, communications, trade and public dining.

In each of these sectors, the work will be carried out proceeding from the current "Basic Principles of the Unified State Product Quality Control System" but also considering the nature of the product and the particular features in the processes of its reproduction. The Unified System encompasses product quality control on all levels of national economic management, including intersectorial, sectorial, in the associations and enterprises, as well as on a territorial breakdown and in all stages of product output (in research and designing, manufacturing, distribution and sales, operation or consumption).

In accord with the party and government decree on improving the economic mechanism, the role of the five-year plans is to be strengthened in quality control. Indicators for the growth of output for superior quality product or other quality indicators set for the given sector in the five-year plan are to be approved for the industrial ministries, associations and enterprises with a yearly breakdown. Prior to 1982, the standards should be revised. The new standards, along with other quality characteristics, are to include the requirements which ensure a reduction in the weight of the articles, reduced consumption of fuel and energy in the process of their operation as well as the standardizing of parts, assemblies and instruments.

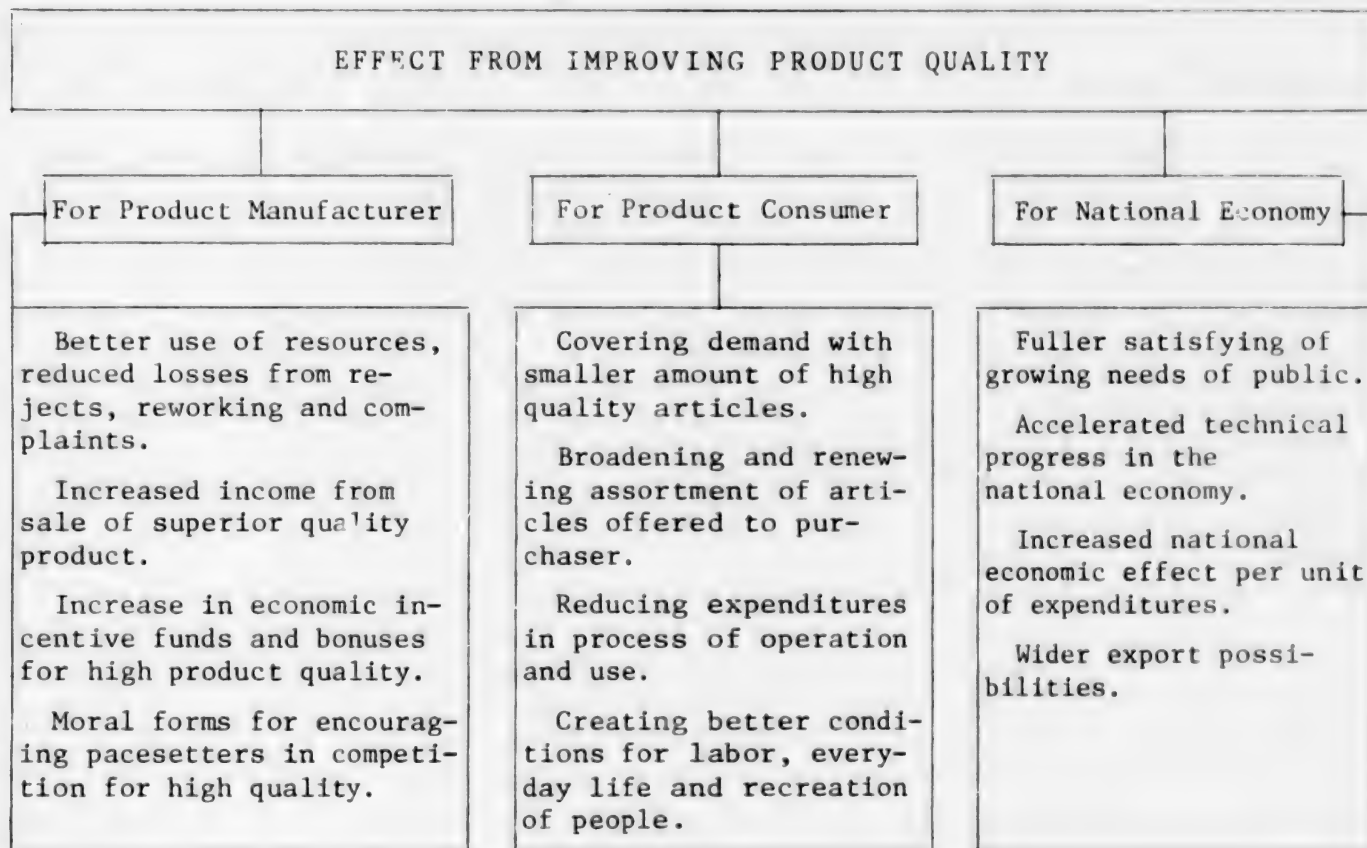
In improving the quality of the produced product, a crucial role is to be played by the enterprises and their collectives. The labor collectives of the nation which have joined the competition under the motto "To Work Efficiently and with High Quality" in the 11th Five-Year Plan are focusing their efforts on accelerating the growth of labor productivity and improving product quality. To fight for high product quality and for the honor of the plant insignia is the duty of each worker and specialist, each labor collective.

The Effect and Ways of Improving Quality

Both the manufacturers and the consumers of a product are interested in raising its technical level and quality. In manufacturing a high quality product and in

utilizing it, production efficiency is increased, operating expenditures are reduced and the demands of society and the population are more fully satisfied.

The effect from improving product quality and the ways of improving the product are shown in the diagram below. Let us examine in greater detail each of these ways.



Effect for Product Manufacturer

A higher technical level and good product quality are established in designing. The designers have many such opportunities. These include reducing the material intensiveness, the rational use of raw materials, the employment of new materials and ensuring optimum technological effectiveness of the articles.

Better Use of Resources, Reduced Losses from Rejects, Reworking and Complaints

During the stage of manufacturing a new product, which possesses high consumer properties, the manufacturing enterprise should endeavor for it to provide a greater effect for the consumer and at the same time be economic in production. This depends upon several factors including the better use of resources and reduced losses from rejects, reworking and complaints. The production activities of many advanced enterprises in various sectors are characterized by the extensive use of all these factors.

At the Dneproshina [Dnepr Tire] Production Association during the Tenth Five-Year Plan, as a result of introducing progressive formulas, the rational use of raw materials and the development of new long-life tires, the consumption of natural rubber was reduced by almost 40 percent and the output of superior quality products reached 80 percent. The production volume increased by 13 percent with a decline in the use of the natural raw material. The association received 11 million rubles in above-planned profit.

At a number of enterprises in the electrical engineering industry, due to improved quality manufacturing during the years of the Tenth Five-Year Plan it was possible to reduce losses from rejects by 3.5-fold and the number of complaints declined by 6-fold. This made it possible for the labor collectives to reduce the cost of the produced articles and to improve other economic indicators.

With the proper observance of the technical requirements and the optimum dates for sowing and harvesting as well as in reducing losses in transporting, the output of high quality agricultural product is sharply increased and the consumption of planting stock and fertilizers is reduced.

The struggle for strictly observing production requirements and preventing factors which cause rejects or the concealment of flaws are one of the basic ways for increasing the effect for the manufacturer from improving product quality.

Increased Income from Sale of Superior Quality Product

Higher quality products more fully satisfy the needs of the consumer and broaden the opportunities for its effective use.

In a number of instances the manufacturing of a higher quality product requires additional outlays of labor, materials, energy and other types of resources. These additional outlays should be compensated for by a significant improvement in the consumer properties of the products. This is encouraged by the current price formation procedure.

Thus, the Decree of the CPSU Central Committee and the USSR Council of Ministers of 12 July 1979 set an incentive surcharge on the wholesale price for new production and technical products. Depending upon the annual economic effect obtained in the production and operation stages, it was set from 0.5 to 1.25 of the profitability rate adopted in setting prices for the given or analogous product. However, as a whole the surcharge cannot exceed 70 percent of the amount of the designated effect. This surcharge is set for a period of up to 1 year and for 2 years for products of particular complexity.

If the articles are awarded the state Quality Mark during the designated period, the effect of the surcharge is extended without a change in it. The total length of the surcharges has been set at up to 4 years and up to 5 years for products of particular complexity. Considering that the greatest effect from the increased technical level and quality of the products is achieved when their creation and development are based on discoveries and inventions, the amount of the surcharge for such products can be increased by 1.5-fold.

Product with State Quality Mark
(as of 1 July 1981)

Union Republics	Total with Quality Mark	Proportional Amount of Superior Quality Product (%)
Total for USSR	87,941	15.7
RSFSR	45,584	15.6
Ukraine	18,284	17.1
Belorussia	3,928	24.2
Uzbekistan	1,937	8.1
Kazakhstan	2,164	11.5
Georgia	2,471	13.2
Azerbaijan	1,183	14.9
Lithuania	2,237	18.8
Moldavia	1,562	13.1
Latvia	3,024	19.3
Kirghizia	708	12.1
Tajikistan	542	7.8
Armenia	2,571	20.0
Turkmenia	369	4.5
Estonia	1,377	13.4

The ZPS-250 gear-rolling machine produced by the Alma-Ata Heavy Machine Building Plant is designed for the hot rolling of gear teeth for chain drives. The replacing of the gear milling and turning operations with the rolling process increases labor productivity by 7-fold and provides around a 35-percent savings in metal (a total of 25,500 rubles a year) due to employing thinner rolled stock.

With the awarding of the state Quality Mark to the ZPS-250 machine, an increased incentive surcharge was set on the wholesale price (the production of the machine was based upon developments recognized as inventions and discoveries). The surcharge is around 18 percent of the wholesale price.

The increased income for the manufacturing enterprises from the sale of improved quality consumer goods is achieved primarily by the setting of increased wholesale prices. In awarding the Quality Mark to new consumer goods, the temporary wholesale and retail prices set for these goods are maintained for the entire period that the Quality Mark remains in effect.

The amount of enterprise income from the sale of high quality products is substantially influenced by the amount of production of articles which have the surcharge. The more the enterprise produces high quality products and higher the total income.

Incentive surcharges have also been set for high quality of agricultural products. This makes it possible for the kolkhozes and sovkhoses to earn a significant amount of additional income.

However enterprise income can be significantly reduced if it produces a product which has been certified in the second quality category or is not certified at the designated time.

In particular, such products carry rebates on the wholesale price amounting to 50 percent of the total profit obtained from its sale. Profit from the sale of products manufactured with a deviation from the set standards, technical conditions or formulas is not considered in setting the results of the enterprise's economic activities. The amount of profit is also influenced by a reduction in grade or complaints from consumers.

Increase in Economic Incentive Funds and Bonuses for High Product Quality

Under the new management conditions, product quality has become one of the basic fund-forming indicators and influences the amounts of the material incentive fund, the fund for sociocultural measures and housing construction and the production development fund. It has been established that up to 70 percent of the additional profit from the sale of new highly efficient products and products with the Quality Mark is to be channeled into the economic incentive funds. In this manner a stable source of material incentive has been set for producing high quality products.

The Dnepropetrovsk Production Association for Heavy Presses in the Tenth Five-Year Plan made significant headway in improving the quality of its products and in increasing its production volume. The share of superior quality product in the total production volume rose from 6.6 percent in 1975 to 25.6 percent in 1979.

Over the 5 years the total additional profit obtained from the sale of superior quality product also rose significantly. In 1975, it was 53,000 rubles and in 1979, 172,000 rubles. As a result around 90,000 rubles were transferred additionally to the enterprise's economic incentive funds in 1979. Bonuses were also increased paid to the workers directly involved in the development and production of superior quality products.

An effective incentive system is employed for livestock raisers on the Kolkhoz imeni Kirov in Kanevskiy Rayon of Krasnodarskiy Kray. The farm collective which sold more first class milk than the others, but at least 98 percent, additionally received a bonus totaling 2,500 rubles.

For paying bonuses to kolkhoz members who have raised high quality grain, for example, 20 kopecks is paid supplementarily for each ton of strong varieties of wheat sold to the state.

Construction workers are encouraged for fully completed projects on dates set by the standards, for high quality construction and installation work and for saving material resources.

Moral Forms for Encouraging Pacesetters in Competition for High Quality

Social recognition for enterprising high quality labor strengthens the feeling of worker pride and satisfaction with the results of one's work and increases the prestige of a profession. The correct application of various forms of moral incentive in an organic combination with material incentives has an active impact on the

effectiveness of the socialist competition for high quality, it increases its mass nature and helps to disseminate advanced experience. For a number of years the collectives of leading enterprises have received a special diploma of the AUCCTU and Gosstandart [State Committee for Standards] "For Achieving Best Results in Producing Products with the State Quality Mark."

This diploma has been repeatedly awarded to the collective of the Minsk Atlant Production Association specialized in producing household refrigerators and freezers. More than 80 percent of the products from this enterprise carries the state Quality Mark. The successes in work have been largely determined by the creative application of advanced experience and the introduction of a KSUKP [comprehensive product quality control system].

Many enterprises of the nation have found effective forms for social recognition of the work performed by workers who systematically improve the quality of the produced products. They are awarded honorary titles and their names are put up on the plant, rayon or city Honor Board. The best are awarded USSR and Union republic state prizes.

At the L'vov Elektron Association, particular attention is paid to the publicizing of the competition. A special stand has been set up at nearly each section and here each day the work results are shown and lists of workers are put up who during the day have produced most product which passes inspection upon first presentation.

The amount of the bonus and the forms of moral incentives are set in accord with the place held in the competition. Nor do they overlook persons who have interrupted the work or been responsible for poor work. These are mentioned in the "express leaflets" and mentioned at meetings. The laggards are not merely criticized but also are provided with complete help in improving their work.

At the Krasnodar Machine Tool Building Plant imeni Sedin, the development of the socialist competition for improving work quality has contributed to the situation where more than 200 workers have won the right to work without supervision of the OTK [technical inspection section].

The rallies of excellent quality workers, the establishing of a prize named after famous production pacesetters, the awarding of special certificates and the announcing of thanks in orders from the director or instructions from the shop foreman are an effective form of moral incentive. With the skillful organizing of the rallies of outstanding quality workers, the measures involved with the presenting of prizes and other awards are turned into a labor holiday.

Great reserves for further improving product quality reside in the creative use of various moral incentives and in combining them with material encouragement.

The Effect for Consumers

A rise in the technical level and an improvement in product quality produce the most tangible effect in the consumption sphere. As a result of the increased reliability and durability of machines, mechanisms and consumer goods, the time of useful operation is increased, repair expenditures are reduced and the guaranteed service lives of the products are lengthened.

The use of highly efficient equipment and high quality consumer goods makes it possible for the consumer enterprises and the Soviet people to satisfy a wide range of ever-increasing needs. As a result of improved product quality, the working and everyday conditions of the workers are improved.

Covering Demand with a Smaller Quantity of Product

The intensification of production envisages the satisfying of society's needs primarily by improving the utilization of various types of resources. This is achieved, in particular, by reducing the material intensiveness of the product and by raising the unit capacity and productivity of machines.

If, for example, the reliability of a grain harvesting combine is increased by 10 percent, then they will be one-tenth less in repair due to breakdowns in harvesting. With an increase in excavator shovel capacity, its productivity is increased proportionately and there is a corresponding decline in the demand for a large number of these machines.

During the last 5 years, the service life of the tires produced by the enterprises of the Ministry of Petroleum Refining and Petrochemical Industry rose in the following amounts: from 83,000 to 92,000 km for trucks, buses and trolley buses; from 41,000 to 45,700 km for passenger cars.

This means that for outfitting the same motor vehicle and trolley bus fleet the consumers will now require 11-12 percent fewer tires than before.

Conversely, poor product quality leads to an increase in the expenditure of material resources. Thus, many wooden ties are still used for the construction and repair of railroads. The demand for them could be significantly reduced if all the tie-impregnating plants would strictly adhere to the wood processing procedures, to the tie storage rules as well as to the conditions for using them on the railroads.

At the Proninskiy Tie-Impregnating Plant on the Kuybyshev Railroad, the stacks of ties are laid out without considering the airing and drying of the wood. The ties are not graded by woods and moisture content, various types of woods are impregnated simultaneously and their moisture content reaches 60-90 percent with a standard of 25 percent.

At the time of an inspection by the Main State Inspectorate for Monitoring the Use of Material Resources under the USSR Gosplan and the State Forestry Inspectorate of Soyuzglavles [Main Administration for the Supply and Marketing of Lumber Products], this plant produced up to 15 percent of ties which did not meet the requirements of the State Standard in terms of the quality of impregnation.

As a whole the violating of the procedures for storing, impregnating and using new ties involves major losses. According to the data of the Main Track Administration of the Ministry of Railroads, the actual service life of the ties is 15.5 years or 3.5 years less than the calculated. Improved work by the collectives of the tie impregnating plants would make it possible to satisfy the demand of the railroads while reducing wood consumption by 600,000 m³ a year.

A major effect could be achieved by increasing the content of the active ingredient in fertilizers or by manufacturing them in a granulated form. In this instance the same increase in the crop could be achieved by applying a smaller amount of fertilizer to the soil. Transport expenses would be saved and the need for warehousing facilities would be reduced.

However, this is just one side of the problem. Even with high quality, a consumer at times may not obtain an effect. The problem is that if the products are handled unskillfully or negligently they more often break down, they remain under repair for a long time and the properties which they contain are not used.

At certain enterprises, highly productive electronic computers are utilized as if they were very simple accounting machines. Their load factor is below the established standards due to the lack of a range of programs and the low level of the problems solved. As a result the enterprise does not obtain that effect which it could.

Broadening and Renewing the Assortment of Products Offered to the Purchaser

The Basic Directions for the Economic and Social Development of the Nation approved by the 26th CPSU Congress envisage a broadening and renewal of assortment and an increase in the sale of new, fashionable as well as inexpensive good commodities which are in demand. They also point to the necessity of influencing the shaping of reasonable needs and aesthetic tastes of the public.

In accord with the congress decisions, the CPSU Central Committee and the USSR Council of Ministers in August 1981 ratified the Decree "On Measures to Increase the Production of Vital Necessities in 1981-1985 and More Fully Satisfy the Public's Demand for These Goods" and the Decree "On Increasing the Production of Mass Consumer Goods, Improving the Quality and Bettering Their Assortment in 1981-1985." The ideas of the congress were also reflected in the 11th Five-Year Plan.

Many labor collectives are working actively to improve consumer goods quality.

In his speech at the November (1981) Plenum of the CPSU Central Committee, L. I. Brezhnev said: "Even now there are many enterprises the products of which are in great and merited demand. These are the Moscow Sokol and Moskva garment associations, the Leningrad Porcelain Plant imeni M. V. Lomonosov, the Kiyevlyanka Knitwear Association, the Yerevan Masis Footwear Association and a number of others.

At the same time, a number of enterprises violate the standards and technical conditions and the products produced do not conform to the models shown at the wholesale fairs. Checks have shown that in a majority of instances the decline in product quality is a consequence of a lessening of production and labor discipline.

The workers in all levels of trade have a major role to play in broadening and renewing the assortment of articles produced by the industrial enterprises. Much depends upon their initiative and tenacity.

The Tekstil'shveyobuv'torg [Textile, Garment and Footwear Trade] Administration of the Belorussian Ministry of Trade, in utilizing materials from a study of demand,

were able to secure the withdrawal of 250 types of products from production and introduce 300 types and models which had increased demand. During the Tenth Five-Year Plan the republic's industry developed more than 700 new types of articles including over 300 types of household and cultural goods.

A majority of enterprises producing consumer goods in recent years have consistently increased the number of produced product types and have diversified their external appearance. There has been a significant increase in the selection of hosiery, various finishes and colors of textiles, haberdashery goods, perfume and cosmetic articles.

The Moscow Vostok Production Association in 1980 produced 218 models of footwear and here more than one-half of the models were new. In 1981, the association in 9 months developed another 204 various types of footwear models having renewed almost 70 percent of the assortment.

Our nation is carrying out extensive work to renew the produced products. While in the Eighth Five-Year Plan production was developed and series output started for 8,400 new types of articles, in the Tenth Five-Year Plan the figure was 17,500. The development of high quality product is to achieve even greater scale in the 11th Five-Year Plan.

Reducing Expenditures in the Process of Operation and Use

Increased product technical level and quality and the creation of fundamentally new types of equipment directly influence the reduction in the consumption of raw product and material resources. The equipping of trucks with diesel engines reduces fuel consumption by 25 percent. Each vehicle of the Kama Motor Vehicle Plant over a year saves 6 tons of fuel. The use of energy-saving and waste-free production processes provides a significant effect in operations.

The design organizations and labor collectives of the enterprises are working steadily on developing models of household electrical equipment which consumes less energy. This applies to radio equipment, electric heaters and refrigerators.

The Moscow Rubin Production Association has been the first in the nation to develop and produce a new modular color TV set, the Rubin Ts-202, using semiconductors and integrated microcircuits and with a diagonal screen size of 61 cm. In comparison with the tube and semiconductor models it requires 1.6 less electric power.

Reduced consumption of spare parts for the repair of machinery and equipment provides a great effect. This effect is achieved by the high quality operation of the equipment, particularly agricultural, by the prompt carrying out of preventive inspections and repairs, by the use of the fuels and lubricants envisaged in the technical operating conditions and by a high level of professional training for the drivers, service personnel and repairmen.

The Creation of Better Working, Everyday and Recreational Conditions for People

The high quality of the products employed in production and everyday life to a significant degree determines the labor and living conditions of the Soviet people.

Machines and equipment which take into account the physical, psychophysiological capabilities and aesthetic needs of man make it possible to create safe and healthy working conditions.

An improvement in working conditions and a reduction in production injuries and vocational illnesses have been constantly at the center of attention of the economic organizations and trade union bodies. The meeting of labor safety requirements holds an important place in the range of measures to ensure safe and healthy working conditions on the job.

The USSR has created and introduced a system of labor safety standards. Already more than 250 state and 200 sectorial standards have been worked out for this system. A section of "Safety Requirements" has been included in more than 60,000 standards and technical conditions. These standards set the maximum acceptable vibration and noise levels for machine tools, electric and motor vehicle engines and they determine the work specifications in the seats of tractor operators, drivers and tower crane operators.

All of this helps to improve production methods and better working conditions and ultimately leads to increased production efficiency.

The meeting of the requirements in the standards system at the L'vov Mikropribor [Microinstrument] Production Association has helped to reduce the sickness rate in the Tenth Five-Year Plan by almost 20 percent. Improved working conditions and a lower amount of manual jobs have made it possible to significantly reduce personnel turnover which now is not more than 4 percent.

The designers, production engineers and workers, that is, all the participants in the production process, should show concern for producing handsome, eye-pleasing machines, equipment and consumer goods with high quality characteristics.

Efficiency in the National Economy

The accelerating of technical progress and the intensification of the economy are based upon a high technical level and quality of the means of production, that is, machines, equipment, instruments and materials. In their essence, technical progress and high quality are inseparable.

In the 11th Five-Year Plan the task has been set of ensuring a more rapid rise in national income in comparison with the total volume of capital investments. With a 10 percent increase in capital investments, the increase in national income in 1985 will reach 18 percent. "Undoubtedly it will not be easy to achieve this," said L. I. Brezhnev at the November Plenum of the CPSU Central Committee. "But the very comparison of the two figures shows that the plan is based on a policy of making better use of all resources. Measures are envisaged for increasing labor productivity and improving product quality. The decree of the CPSU Central Committee and the Council of Ministers adopted in June of this year focuses on technical progress and capital investment policy, the entrepreneurship of the economic workers and the initiative of the labor collectives at saving material resources."

The Fuller Satisfaction of Growing Needs of the Public

In recent years the enterprises in the various industrial sectors have done a great deal to increase the output and improve the quality of consumer goods. However, the possibilities for satisfying the public's needs and primarily by improving product quality, are still far from exhausted. The following example proves this.

In 1980, 744 million pairs of leather footwear were produced and this is almost three pairs per person. At the same time, the demand for footwear is still not fully satisfied. The question here is not the quantity but rather that there is little high quality, fashionable footwear on sale. The enterprises which produce certain other types of consumer goods also do not satisfy the public's demand for superior quality products. The five-year plan envisages a broadening of the assortment and an improvement in the quality of vital necessities.

The output of cultural and household products is to increase by 1.4-fold. The production of products which are in increased demand will grow at a more rapid pace. For example, there is to be an increase in the output of double-compartment refrigerators with automatic and semiautomatic defrosting, high-precision quartz watches, sets of utensils, sets of modern furniture, new designs of cameras, portable color TV sets, small-size stereo tape recorders and other types of products.

Of important significance is the clear and coordinated work of the collectives, the organizations of the USSR Ministry of Trade, the associations and enterprises of the industrial ministries which turn out consumer goods.

Accelerated Technical Progress in the National Economy

Improved quality of the means of production, as was already said, helps to accelerate technical progress and to raise social labor productivity.

The modernizing of one of the pumps produced by the Shchelkovo Pump Plant made it possible to increase its operating life before a major overhaul from 5,000 hours up to 10,000 hours, that is by 2-fold, virtually without any increase in the manufacturing expenditures.

The 11th Five-Year Plan envisages a further acceleration in scientific and technical progress. There is to be the extensive introduction of progressive production processes, an increase in the output of new machines and equipment, means of transportation and instruments and the introduction of new types of raw materials and structural materials. For example, in machine building 1,000 tons of parts manufactured from metallic powders makes it possible to free 2,000-2,500 tons of rolled metals or castings, around 80 metal-cutting machines and 190 workers.

A rise in the technical level of the metal-cutting machines being developed and the automatic machining lines will raise the productivity of this equipment by 1.5-1.6-fold.

There are also plans to broaden the range and increase the production of tools for mechanization and construction-finishing machines. The implementation of the designated measures will make it possible by the end of the five-year plan to

reduce the share of manual labor in construction by at least 20-25 percent per million rubles of construction-installation work, to raise the amount of energy to labor by 1.5-fold and the amount of mechanization available to labor by 1.3-fold.

The Increased National Economic Effect Per Unit of Expenditures

An indispensable condition for raising production intensification is an increased effect per unit of expenditures. L. I. Brezhnev has repeatedly pointed out that it is essential to achieve a substantial increase in the production volume and national income per unit of expenditures, be they labor, material or financial.

For example, in 1980, the total additional profit from the sale of superior quality products for the machine building ministries alone was 333.2 million rubles. At the same time the economic effectiveness of employing new equipment also rises. If its level in 1979 is taken as 100 percent, in 1980 it rose to 106.5 percent and in the first half of 1981, to 112.1 percent.

The Broadening of Export Opportunities

Under the present-day conditions of the international division of labor, ever-greater significance is being assumed by the development of foreign economic ties, particularly within the framework of the socialist economic integration program. Foreign economic ties make it possible to mobilize additional opportunities for successfully carrying out economic tasks and for gaining time, to increase production efficiency, to accelerate scientific and technical progress and to raise the well being of the people.

In order to broaden imports it is essential, correspondingly, to export more. In the 11th Five-Year Plan the task has been set of improving the export structure primarily by increasing the production and delivery of machine building products and other finished articles which meet the requirements of the foreign market and to constantly increase their technical level and quality. The foreign trade turnover of the USSR will rise by 22.5 percent. The share of the socialist countries in the USSR foreign trade turnover will increase from 54 percent to 58 percent.

Many types of domestic products are widely demanded abroad. These include the Belarus' tractors, the metal-cutting machines from the Moscow Krasnyy Proletariy Plant, power equipment, time pieces, cameras, textiles and carpet goods. At the same time we do not always utilize the existing opportunities to increase exports. Many types of products which have a high degree of reliability and accuracy lose out due to their heavy weight and unsatisfactory appearance.

It is a matter of honor for each enterprise, each collective and each worker to worthily represent Soviet products on foreign markets by the results of their labor.

The Product Quality Control System

Hundreds and thousands of workers from different professions and large collectives of scientific and design organizations are involved in the manufacturing of a modern product. They work out and develop the new product, they supply raw products, materials, semifinished products and preassembled articles, equipment, electric and

thermal energy. In order to ensure a steady rise in quality, there must be precise technical and organizational coordination among all the participants in the production process.

Practice has shown that the quality problem at present cannot be solved by carrying out individual, even major but still isolated measures. Here the best results are obtained by those collectives which utilize the great capabilities of present-day standardization, which have well mastered product certification, which exactly and strictly carry out quality control, which work out and introduce comprehensive product quality control systems and which employ economic and moral levers. The combining of these elements ensures a comprehensive approach to the tasks of improving product quality with the state standardization being at the center of them.

Standardization

The state standardization system which has been set up and is operating in our nation makes it possible for the enterprises and ministries to set high, progressive requirements on quality by working out state and sectorial standards, enterprise standards or technical conditions and to monitor their observation in all stages of development, production and operation.

At present, there are around 23,000 state standards at use in the national economy, more than 40,000 sectorial standards as well as more than 150,000 technical conditions. In accord with the established procedure, the state standards are revised every 5 years.

The standards should keep up not only with the rate of technical and economic development but also outstrip it, they should be the proponents of all that is advanced and influence the intensity of social production.

Thus, the state standard adopted in 1980 sets increased demands upon the physical and mechanical properties of motor vehicle surfacings with the ML-1110 enamel in comparison with the standard in effect since 1975. According to the requirements, the enamel's service life has been increased from 3 to 5 years.

In place of the standard set in 1973, 2 years ago a new state standard was introduced for a highly concentrated mineral fertilizer, ammosfos. The new standard envisages an increased content of the basic nutrient by 2 percent. This provides, in maintaining the proportional consumption of ammosfos, for a substantial rise in the yield and a reduction in bulk applied to the soil. Moreover, the increased mechanical strength of the granules reduces product losses in transporting and storing.

The replacement of cotton and linen packing textiles with a nonwoven fabric or polyethylene film in producing industrial-end products, as envisaged by the 1980 standard (replacing the standard in effect since 1966) makes it possible to free 70.4 million meters of natural textiles a year for the needs of the national economy.

In accord with the decree of the CPSU Central Committee and the USSR Council of Ministers on improving the economic mechanism, comprehensive standardization has been organized and this coordinates the demands made on the raw products, materials, preassembled articles and end product and also makes it possible to overcome

departmental divisions and improve cooperation among the enterprises in improving the end product's quality.

Since the start of the Tenth Five-Year Plan, 142 programs for the comprehensive standardization of major product types have been worked out and realized. These include: "Metal-Cutting Machines," "Tractors," "Footwear," "Textiles" and others. Such programs have made it possible to more clearly determine the limits for improving quality and coordinate these with the production plans. During the 11th Five-Year Plan 160 programs for the comprehensive standardization of major product types should be worked out and implemented.

As is known, good production organization is a guarantee for turning out high quality products and for promptly renewing them. In considering this, Gosstandart together with the machine building ministries has worked out a Unified Production Preparation System. The introduction of this system's standards will make it possible to better and more quickly adapt production to turning out new, highly efficient and high quality products. The enterprises which have adopted this system of standards have shortened the time required to prepare for the production of new articles by 2-3-fold and they have substantially reduced the labor intensiveness of preparatory work as well as product costs.

Product quality is certified on the basis of the standards.

Quality Certification

Certification is one of the most important elements in planning increased product quality. On the basis of this quotas are set for the enterprises for producing superior quality products.

Put in the superior quality category are those products which in terms of their specifications surpass the finest domestic and foreign achievements or meet them, which determine technical progress in the national economy, ensure a significant rise in labor productivity, save materials, fuel and electric power, satisfy the needs of the nation's population and are competitive on the foreign market. Products which are classified in the superior category are designated by the state Quality Mark.

The first quality category includes modern products which fully meet the needs of the consumers and can be improved to the level conforming to the conditions of the superior quality products.

The second category includes products which are already obsolete and are not in demand. Such products must be modernized or removed from production and replaced by new ones.

In product certification, consideration is given to the product's artistic and aesthetic indicators and characteristics and for light industry products, also the requirements of fashion.

Certification work is carried out by state commissions formed by the ministries. Their membership without fail includes specialists from the consuming sectors, the

Ministry of Trade and Gosstandart. As a rule, a representative of the consumer is appointed as the commission's chairman.

The certification commissions carry out a large amount of work. Thus, during the years of the Tenth Five-Year Plan, over 185,000 product types were certified and recertified for a higher category. The exactingness and objectiveness of the certification commissions determine the answer to the question: Does the article properly bear the Quality Mark?

It is a matter of honor for each collective to accelerate the development and increase the production volume of the products meeting the requirements of the superior quality category.

Economic Levers

A combining of the plan indicators for improving product quality with economic levers makes it possible to create the best economic situation for the active operations of the associations and enterprises in the area of utilizing every opportunity to increase the product's technical level and quality.

The collectives of the scientific research and design organizations play a decisive role in creating articles of a high technical level and quality. The unified scientific and technical development fund of the ministries and departments is designed to finance work and cover the expenditures related to working out and developing new types of products, to cover the additional expenditures for improving product quality and the increased outlays during the first years of beginning and new product's production. The practice of paying one-shot bonuses is being introduced in the machine building associations, enterprises and organizations for encouraging the work leaders and the employees directly involved in creating and developing particularly important and effective types of equipment and machines.

For second quality products, rebates are applied to the wholesale prices amounting to 50 percent of the total profit obtained from its sale; at the end of the period the product is to be removed from production, the rebate on the wholesale price is set for the amount of the total profit.

For the violating of contractual obligations relating to consumer and children's goods, the amount of the penalties collected for incomplete delivery is increased in comparison with other goods.

Inspection and Supervision

Quality control holds an important place in the work of ensuring quality. Without precisely organized inspection between operations or the correct assessment of the quality of raw products and materials it is impossible to successively perform the operations involved in the processing, assembly and delivery of the product to the client. In the brigades, sections and shops it is particularly important to organize reciprocal control of the workers for product quality and in the conditions of the socialist competition to provide an evaluation of work in terms of the amount of product which passes inspection upon first submission.

In improving quality an important role is played by the services of the enterprise OTK [technical inspection department] which operate on the basis of the Standard Regulation on the Technical Inspection Section (Administration) of an Industrial Enterprise (Association) as approved by the Decree of the Council of Ministers of 11 December 1979.

The main tasks of the OTK are to prevent the production (delivery) of products which do not conform to the requirements of the standards and technical conditions, to the established models, to the design and production specifications and the delivery and contractual conditions, as well as incomplete products. The OTK are obliged to strengthen production discipline and by their fundamental exactingness to increase the responsibility of the workers and specialists in all areas of production for the quality of the produced product. Unfortunately, these requirements are not satisfactorily carried out at many enterprises.

During the first half of 1981, the Gosstandart bodies checked the observance of standards at almost 10,000 industrial enterprises, of which around 6,000 were in violation of the standard requirements. In the course of the checks, in 5,000 instances the sale of products was stopped. Moreover, economic sanctions were applied to 3,000 enterprises for the poor quality sold product.

Discipline has been significantly increased in observing the requirements of product certification for the superior category. In the first half of 1981, Gosstandart did not register and returned 2,969 rulings of the state certification commissions due to poor quality and a nonobjective assessment of the quality level while 316 articles were deprived of the right to bear the honorific superior quality mark.

At the same time poor quality products still often are for sale. This requires a further rise in state discipline in all production sections and from each worker, inspector and leader.

Comprehensive Quality Control Systems

One of the effective forms for organizing work in the area of raising quality is the elaboration and implementation of comprehensive product quality control systems (KSUKP). The first such system was worked out by the collectives of leading enterprises in L'vovskaya Oblast. It brought together the proven experience of the industrial enterprises of Saratov, Moscow, Leningrad, Sverdlovsk, Gor'kiy, Yaroslavl' and Kremenchug. The experience of the leading collectives in L'vovskaya Oblast in 1975 was approved by the CPSU Central Committee and recommended for extensive introduction.

In the KSUKP the technical, economic, social and organizational measures have been intercoordinated and this makes it possible, in relying on the broad involvement of the workers, white collar personnel and engineers, to actively influence a rise in quality during the stages of designing, producing and operating the articles.

The KSUKP is based upon the enterprise standards.

The introduction of the KSUKP has helped to increase the proportional amount of products certified for the state Quality Mark. At present, 9,200 enterprises are producing products with the honorific pentagon.

In 1980, the CPSU Central Committee approved the work carried out by the party organizations of Dnepropetrovskaya Oblast and Krasnodarskiy Kray in creating and introducing at the industrial enterprises comprehensive systems aimed at improving production efficiency and work quality.

During the 11th Five-Year Plan work will be continued in introducing the KSUKP. There are plans to create KSUKP at all industrial enterprises. Here it is important not to allow a formal approach. Instead of practical work of improving production organization a number of collectives are working out just enterprise standards.

The experience of industry in introducing the KSUKP is being widely used by enterprises in agriculture, construction, transportation and domestic services. The KSUKP for agricultural products are being worked out considering the particular features of producing such products as grain, milk, meat and industrial crops.

The L'vovskaya Ovoshchnaya Fabrika [L'vov Vegetable Factory] Sovkhoz is the nation's first agrarian enterprise which has introduced a comprehensive system and registered it with the Gosstandart bodies. The introduction of the system is already producing good results. Production discipline and work methods have improved. The vegetable crop per m² of covered ground has increased by 48.3 percent and virtually all the product is sold as high quality.

The creation of KSUKP at the enterprises of the agroindustrial complex will help to successfully carry out the food program outlined by the party.

Analysis of Product Quality

An analysis of product quality holds an important place in assessing labor of both individual workers and specialists as well as production collectives. This helps determine how the needs of the consumers are being satisfied and how the plan quotas and socialist obligations are being carried out to create and manufacture products of a high technical level and quality. In the course of analysis for this indicator the reasons for flaws and malfunctions are detected as well as the reserves for improving quality.

Product quality is analyzed in terms of the degree of carrying out the plan quotas, the conformity of the product to the requirements of the standards and technical conditions, in terms of satisfying the needs of production and the public and in terms of the economic effectiveness of the product.

One of the most effective means which influences a rise in product quality is the product certification system for the three quality categories. An analysis of the dynamics of the quality categories makes it possible to assess the activities of the production collectives and detect reserves for improving quality and efficiency.

The Khmel'nitskiy Production Association for the Production of Automatic Thermo-plastic Equipment imeni XXVI S'yezd KPSS introduced a comprehensive quality control system. The results achieved by the association in improving product quality can be seen from the given table [see next page]:

Indicator	1978	1980	9 months of 1981
1. Certified product (output in million rubles)	28.1	40.5	36.7
2. Including by quality categories:			
a) In million rubles			
Superior	0.6	20.4	23.1
First	27.1	20.1	13.6
Second	0.4	--	--
b) In percent			
Superior	2.1	50.2	62.8
First	96.5	49.8	37.2
Second	1.4	--	--

At the association, all the certifiable product is produced only in the superior and first quality categories. Over the 9 months of 1981, the share of products with the state Quality Mark was 62.8 percent (with 57 percent for the 1981 plan). In 1978, as is seen from the table, just 2.1 percent was product of the superior category. The share of first quality products declined from 96.5 percent in 1978 to 37.2 percent in 1981. Second category products were fully taken out of production.

The entire production collective takes an active part in the struggle for high product quality. This is aided by the system of flawless product manufacturing and the passage by the OTK upon first

submission as a most important component part in the comprehensive system.

For the association the percentage of product passing on first submission was: 89.7 percent in 1975, 94.5 percent in 1980 and 95 percent during the 9 months of 1981. Many workers and brigades this year have all the product approved on first submission. Such results have been achieved, for example, by the brigades of assembly workers under S. D. Levandovskiy and grinders under N. G. Raspodo.

In a number of industrial sectors, no provision is made for product certification by quality categories. The enterprises in these sectors are given quotas for grade, for example, in the food or light industry.

Let us assume that an enterprise has the following grade indicators for one of the types of produced products (in percent of the total output):

Grade	Report Year		Previous Year
	Plan	Actual	
First	98.0	96.4	97.1
Second	2.0	2.6	2.3
Third	--	1.0	0.6
Total	100	100	100

The table shows that the enterprise did not fulfill the plan for product grades and work deteriorated in comparison with the previous year. At the expense of a lower amount of first grade product there was an increase in the output of second grade product (from 2 percent according to the plan to 2.6 percent) and there was an unplanned output of third grade product (1 percent). It is essential to study the reasons for the decline in quality and take decisive measures to eliminate them.

In an analysis of losses from rejected product a study is made of the aggregate data on losses from rejects for the enterprise as a whole and for the individual production areas. Let us give data on rejects in production from the report of one of the enterprises.

Indicators	Total (in 1,000 rubles)
1. Full cost of finally rejected products	200
2. Expenditures for correcting rejects	11
3. Cost of rejects at use price	-40
4. Collected from suppliers	-20
5. Withheld from persons guilty of rejects	-3
6. Losses from rejects	148

The losses from rejected product at the enterprise during the report year were 148,000 rubles or 2 percent of the costs of all the products (7.4 million rubles). In the previous year the losses from rejected products were 2.6 percent. The quota for reducing losses from rejects was set at 40 percent. This means that the losses from rejects should not exceed 1.56 percent of product costs (2.6×0.6). They actually were higher. Hence the enterprise collective did not take sufficiently energetic measures to reduce losses from rejects.

At the enterprises ordinarily all rejects in production are classified by reasons. We will give an example of the classification of defect reasons.

Reasons	Total losses (in 1,000 rubles)	In % of Total
1. Negligence in work and violation of production methods by workers	26.5	17.9
2. Malfunctioning equipment, use of unchecked tools	14.9	10.1
3. Incorrect monitoring of previous operations	10.8	7.3
4. Poor quality casting obtained from suppliers	27.0	18.2
5. Flaws in own-manufactured castings	68.8	46.5
Total	148.0	100.0

In making an economic analysis it is important to determine the amount of the national economic effect from the produced product. At times small additional expenditures in production produce a great savings in operation for the consumer. This is particularly noticeable with an improvement in such product properties as reliability, ease of repair and durability.

A new instrument was produced at one of the Moscow plants. In the process of designing it, the plant's designers in collaboration with the scientific research organizations, sought out the technical possibilities for the consumer to increase savings from the operation of the instrument to 36 rubles instead of the planned 25 rubles.

Having produced 4,500 such instruments during the three quarters of 1981, the plant, due to the better design of the instrument, achieved an additional effect of 49,500 rubles ($11 \times 4,500$) for the consumer.

The production workers together with the technical services made a major contribution to the creating of the above-planned savings. They accelerated the starting up of production for the new instrument by more than a quarter. Because of this 1,500 instruments were produced above the plan and this made it possible for the consumer to obtain another 37,500 rubles.

As a total the additional savings for the consumers were 87,000 rubles. The plant, in addition, obtained a cost accounting effect and because of this added to its incentive funds.

An analysis of product quality and losses from rejects is made for all the production elements: from the brigade and shop to the enterprise and association as a whole. The decree on the development of the competition in the 11th Five-Year Plan emphasizes the need to focus the attention of the competitors on improving product quality. The analysis should show the way to carrying out the adopted obligations as well as reserves for improving product quality.

10272

CSO: 1820/76

RESOURCE UTILIZATION AND SUPPLY

WASTE, INEFFICIENT RESOURCE USE CRITICIZED

Moscow AGITATOR in Russian No 17, Sep 81 pp 2-7

/Article: "Strictest Economy and Fight Against Losses Are the Reserves of the Five-Year Plan"; passages enclosed in slantlines set off in frames

/Text/ "Intensification of the economy and rise in its efficiency, if this formula is to be translated into the language of practical affairs, lie primarily in seeing to it that production results grow more rapidly than production expenditures and that, drawing comparatively fewer resources into production, more can be obtained."

"As compared with the best world indicators, we use more raw materials and energy per unit of the national income. Consequently, it is possible to greatly increase finished output from the resources that are already available."

"Comrades, the solution of the most important and complex problems is within our power. However, a seemingly simple and very prosaic matter--a proprietary attitude toward public property and the ability to fully and expediently utilize everything that we have--becomes the core of economic policy. The initiative of labor collectives and mass party work should be directed toward this..."

"The economy should be economical--this is the demand of the times."

From the report by Comrade L. I. Brezhnev,
general secretary of the CPSU Central Committee,
at the 26th CPSU Congress.

"To ensure an efficient utilization of natural, material and labor resources as a decisive and most effective method of augmenting the country's national wealth and of rapidly increasing socialist accumulations and consumption resources..."

"To implement at all the levels of management a system of measures directed toward a fuller utilization of all types of resources--labor, energy, supplies, raw materials, equipment and production capacities--reduction of various losses and waste and elimination of unproductive expenditures."

"To sharply raise production efficiency and to place all reserves at the service of the national economy are the duties of party, state and economic bodies, all public organizations, labor collectives and every Soviet man."

From Basic Directions in the Economic and Social Development of the USSR for 1981-1985 and for the Period Until 1990.

"To fulfill the extensive program for the country's economic and social development envisaged for the 11th Five-Year Plan and for the 1980's, it is necessary to draw vast raw material, fuel-power and other material resources into production. However, the extraction of raw materials and fuel costs more and more, while the reserves of mineral are unrenovable. Under these conditions the most economical and rational utilization of all types of material resources takes on special national economic importance."

"To carefully expend raw materials and supplies, to reduce waste and to eliminate losses means to save the labor of millions of people and capital investments, to increase output and to preserve the natural environment. An expansion of the possibilities of raising the people's well-being largely depends on this."

"It is important to develop a mass movement of workers for the maximum possible economy... Every Soviet man should actively join in the fight for economy and thrift in production and daily life and make his specific contribution to this common cause."

"It is considered necessary to increase the interest of workers, managers and engineering and technical personnel of associations, enterprises and organizations in an effective utilization of material resources. In connection with this it is necessary:

"To establish a dependence of the economic incentive funds of ministries, departments, associations, enterprises and organizations on the level of material expenditures per ruble of output (work). Beginning in 1983 to make direct deductions into the indicated funds from the total savings obtained from a reduction of material expenditures as compared with the approved ceiling...

"Beginning in 1982 to expand the award of bonuses to workers, foremen, technologists, designers and other engineering and technical personnel for saving specific types of material resources as compared to the established technically substantiated (average progressive) norms of expenditure. To provide for the payment of bonuses at the rate of 75 percent of the total savings of material resources depending on their type, cost and scarcity... To pay bonuses to workers for saving material resources in excess of the maximum amounts of bonuses established in sectors."

"... To greatly raise the level of work among the population on ensuring an economical expenditure of heat, electric power, gas and water in daily life."

From the decree of the CPSU Central Committee and the USSR Council of Ministers "On Intensifying Work on the Saving and Rational Utilization of Raw Material, Fuel-Power and Other Material Resources."

/At the beginning of the Ninth Five-Year Plan the saving of every percent of material expenditures throughout material production sectors increased the country's annual national income by more than 3.5 billion rubles and at the beginning of the 10th Five-Year Plan, by approximately 5 billion. Now the saving of every percent increases the national income by more than 6 billion rubles. For comparison this is one-third of the annual expenditures on housing construction from all sources of financing or almost the same share of annual expenditures on the protection of the people's health./

The Soviet people have responded to the party and government appeal to intensify the fight for economy with profound understanding. Realizing well that this concerns all and everyone, they search for ever newer possibilities of making their contribution a weighty one. At party, Komsomol and workers' meetings many valuable proposals are made, shortcomings and oversights are criticized sharply and ways of improving the situation in the maximum possible way are mapped out. An all-Union public review of the efficiency of utilization of resources, a review of economical reserves, is held during the 11th Five-Year Plan. The task of political agitation cadres is, on the basis of this creative impulse of workers, to develop it in every possible way and, using convincing examples, to show people the profound meaning of the party course for an intensive development of public production, which serves the cause of the further rise of the people's standard of living.

Data to assist agitation cadres on the need for and importance of saving material resources in national economic sectors are published below.*

Industry

/The expenditures on raw, basic and auxiliary materials, fuel and power comprise about three-fourths of the production costs of industrial output. Every percent of their reduction increases the net income of society by more than 5 billion rubles./

The saving of only 1 percent of fuel enables the national economy to operate on the saved resources 3 or 4 days a year. The growth of fuel extraction requires ever greater expenditures. For example, in coal mines the depth of excavation increases by an average of 50 meters every 5 years. In 2 decades the proportion of the cheapest fountain petroleum extraction was lowered from three-fourths to less than one-half. Fuel extraction must now be developed under the complex natural conditions of remote regions in the country's east and north, where the construction and operation of projects cost much more. Transport expenditures are also rising. For example, since 1965 the average distance of transfer of petroleum and petroleum products through pipes increased 2.9-fold--from 650 to 1,900 km. During the 1970's the production costs of petroleum increased 1.6-fold and of gas almost doubled.

*The methodological study "To Build Economically," which will be published in No 18, is devoted to problems of thrift in construction.

The 26th CPSU Congress envisaged a saving of fuel and power resources amounting to 160 or 170 million tons of conventional fuel in 1985 as compared with 1980. This is approximately the present level of its monthly output. The expenditures on fuel saving measures are one-half to one-third of the expenditures on the extraction and transportation of its corresponding amount.

Thermal electric stations expend about one-half of the fuel utilized in the country. Having lowered the expenditure of conventional fuel per allocated kwh of electric power by only 1 gram, they annually save more than 1 million tons of fuel, or almost the daily need of power engineering for it.

Enterprises of all industrial sectors use much fuel for technological needs and heating. The saving of every percent of fuel lowers the production costs of annual output by more than 100 million rubles here (without power engineering).

Industry expends two-thirds of all the output of electric power (minus the losses in public use and export networks). By saving only 1 percent of the consumption here, we could, for example, without hurting internal needs, increase its export 1.5-fold, receiving more currency respectively. The saving of every percent of electric, as well as thermal, power lowers the production costs of annual output throughout industry by more than 100 million rubles.

Metal is the bread of industry. In order to annually increase the capacity by 1 million tons of steel or rolled metal, hundreds of millions of rubles of capital investments are needed. Current expenditures per ton of metal are growing. In the last 30 years the content of iron in the extracted iron ore was lowered from one-half to a little more than one-third. The saving of every percent of steel throughout the national economy annually saves 1.5 million tons. This amount is sufficient to manufacture 3,000 km of large-diameter pipes for gas lines or 160,000 powerful tractors.

Machine building consumes about 40 percent of ferrous metal. Even a one-half reduction of metal losses and waste here would be equivalent to a 10-percent increase in the production of finished rolled metal with much lower expenses for the national economy.

The expenditures on metal in one of its forms or another comprise more than one-half of all the production costs in machine building and metalworking. The saving of only 1 percent of annually consumed metal lowers production costs and, consequently, increases profit by several hundreds of millions of rubles. The 26th CPSU Congress envisaged lowering the norms of rolled ferrous metal by no less than 18 to 20 percent in machine building and metalworking during the five-year plan. This will make it possible to save 8 million tons, or the planned output of 3 5 weeks, in 1985.

In light industry the proportion of raw and basic materials in the total expenditures on production exceeds 85 percent as compared to about 63 percent throughout industry. The saving of every percent of fabrics in the manufacture of clothing, linen and haberdashery annually results in a gain of approximately 120 million rubles. Throughout light industry the saving of only 1 percent of raw materials and supplies lowers the production costs of annual output by almost 750 million rubles. Having saved only 1 percent of leather materials, the country's footwear factories are able to additionally manufacture more than 7 million pair of shoes.

In food industry sectors a reduction of only 1 percent in the expenditures on raw and basic materials saves approximately 900 million rubles annually. From 1 ton of milk saved from losses at an enterprise it is possible to additionally produce up to 45 kg of butter, from 1 ton of sugar beets, about 100 kg of sugar and from 1 ton of sunflower seeds, approximately 450 kg of vegetable oil.

Agriculture

/Kolkhozes, sovkhoses and other agricultural enterprises annually spend tens of billions of rubles on seeds, feed, mineral fertilizers, fuel and electric power. The saving of every percent of material resources increases the net income of farms by hundreds of millions of rubles./

In 1985 the saving of 1 percent of electric power in agriculture will make it possible to fully provide 400 to 450 kolkhozes and sovkhoses with electric power.

The saving of 1 percent of fuel and lubricants in agriculture is equivalent to an annual saving of about 1.5 million tons of fuel and 150,000 tons of lubricants. To lower fuel consumption in agriculture by 1 percent means to save more than 20 million rubles annually.

More than 200 kg of fuel are annually lost from a tank of a capacity of 5 to 10 cubic meters not painted in a light color. A total of 2.5 tons of petroleum products can annually evaporate from a tank with a nonhermetically closed cover. When a tractor is slovenly fueled by means of a pail, about 500 grams of diesel fuel are lost each time.

If an engine of the K-701 tractor runs idle for 1 hour, more than 4 kg of fuel are used for nothing. One hour of idling by the DT-75 and Belarus' tractors during a period of stress results in losses of 6 rubles, by the T-150 tractor, 10 rubles and by the K-701 tractor, 16 rubles.

Every percent of mineral fertilizers shipped to agriculture now amounts to more than 180,000 tons annually. To save such an amount of "fertility vitamins" from losses or an inefficient utilization means to additionally obtain at least 300,000 tons of grain.

To be thrifty means to use land wisely. Throughout the country only 1 square meter of arable land for some reason not used on every hectare forms a field from which it is possible to harvest 370,000 quintals of grain.

If one dropped ear is lifted from every square meter of the country's grain field, this will make it possible to additionally harvest 1.5 million tons of grain. Such an amount is sufficient to supply bread to several millions of people during a whole year.

If the proper hermetic sealing of combines is not ensured before the beginning of harvesting, this will lead to losses reaching 4 to 5 percent of grain per hectare. An unsatisfactory preparation of equipment used in rice threshing and harvesting causes even greater losses. They can comprise from 7 to 15 percent of grain.

On a countrywide scale to lose one corn cob weighing 150 grams (per 10 square meters of field) means to gather 375,000 tons of grain less than envisaged. On a countrywide scale one potato tuber left on 1 square meter of field is equivalent to the loss of 2.6 million tons. The loss of one head of cabbage weighing 2 kg (per 100 square meters of field area) is equivalent to a deficiency of 50,000 tons in the country.

If one vegetable is left on each square meter of cucumber and tomato plantations during harvesting, the total loss of vegetables in the country can amount to 200,000 tons.

By increasing the yield of sugar beets by 1 percent, we will obtain more than 880,000 tons of roots. The sugar produced from them will be sufficient for more than 2 million people for 1 year.

The saving of 1 percent of all types of feed on kolkhozes and sovkhozes as a result of a careful storage and efficient expenditure is equivalent to an additional production of 3 to 3.5 million tons of feed.

If egg breakage at poultry factories comprises 1 percent of the egg output, in a year the loss will reach almost 290 million eggs. Such an amount is sufficient for the breakfast of all the country's schoolchildren during a whole week.

Ensuring a high quality of agricultural output is related to the fight for economy. For example, an increase of only 1 percent in the content of protein in grain would additionally produce an amount of plant protein sufficient to meet the annual need of many millions of people for it. An increase of 1 percent in the oil content of sunflower seeds will add tens of thousands of tons of vegetable oil in the country.

From 1 ton of milk with a fat content of 3 percent food industry workers obtain 34 kg of butter or 83 kg of cheese and with a fat content of 4 percent, 12 and 23 kg more respectively.

As the scale of agricultural production expands, the delivery of field and farm output to consumers with smaller losses takes on ever greater importance. "Such losses," Comrade L. I. Brezhnev noted, "are intolerable. The Soviet people can understand difficulties caused by weather conditions, but they cannot and do not want to accept cases of mismanagement, irresponsibility and negligence as an explanation of existing difficulties. That is why we now say with good reason that the problem of grain, vegetable, fruit and cotton losses is not only an economic problem. It is also a big political problem. It has a direct effect on the mood and labor activity of the Soviet people."

Every Soviet man should value and cherish the fruits of labor of those who grow wheat, vegetables, potatoes and fruits. A careless attitude toward our daily bread is especially intolerable. Land workers have to pay a high price for it. In every slice of bread there are the efforts and concerns of field workers, machine operators, drivers delivering grain to the elevator, millers and bakers. A conscientious worker, realizing this, will never allow himself to throw even a crust of bread to

the ground or to the garbage pail and will not permit the feeding of baked bread to hogs or domestic livestock. This is not simply wasteful. This is also immoral. After all at all times disrespect for bread has been equated with insult to human labor.

To avoid the slightest losses of bread, as well as other agricultural products, is the unfailing civil duty of everyone that lives and works in socialist society.

Transport

The 26th CPSU Congress set the task of lowering specific transport costs and the expenditures of resources on freight and passenger transport.

Diesel engines consume a vast amount of fuel in railroad transport. If all brigades lower the consumption of diesel fuel by only 1 percent, in a year there will be a saving of fuel sufficient, for example, for the operation of more than 12,000 freight trains from Moscow to Brest or for the operation of all diesel engines occupied in passenger transport for 40 days.

If only a drop of gasoline per second is lost during the operation of a motor vehicle, during its entire service life the loss will total almost 15 tons. They are sufficient for going around the world one and a half times.

By shortening the waiting time for take-off with started engines at every flight of the Il-62, Tu-134 and Tu-154 airplanes by only 1 minute, in a year it is possible to save 30,000 tons of fuel.

The saving of every percent of electric power in transport amounts to 1 billion kwh annually and this, for comparison, is approximately the monthly output of one of our largest hydroelectric power stations--Nurekskaya.

In railroad transport alone an annual saving of only 1 percent of electric power is sufficient for the operation of about 2,200 freight trains by electric locomotives from Moscow to Chita or for the operation of all the country's existing subways for 1 month.

Housing and Municipal Services

More than one-tenth of the fuel resources are spent on the needs of municipal and domestic organizations and of the population. More than 1 ton of conventional fuel is annually consumed per inhabitant (without consumption for passenger cars).

In order to pipe sufficient heat to a two-room apartment, it is necessary to burn 2 kg of coal per hour at a station or a boiler room. If windows and doors are not insulated and if air vents are opened to no purpose, the expenditure doubles. During 5 months of the heating season one careless family forces the state to use up 7.5 tons of coal in excess of the norm or a corresponding amount of other fuel.

Many wastefully use the hot water supplied to homes. Not limiting oneself in the least, but simply reducing its useless flow to the sewer system, it is possible, for example, to lower the daily expenditure by 1 liter. If everyone does this,

in 1 year it will be possible to save hundreds of thousands of tons of fuel throughout the country. They would be sufficient for the production of electric power on which a good dozen machine building plants could operate for a whole year.

During the 10th Five-Year Plan the consumption of electric power for municipal and domestic needs increased by almost one-third. Only 1 percent of saving of its expenditure by the population would annually amount to approximately one-half of the output of the Dneprovskaya Hydroelectric Power Station imeni V. I. Lenin. If every family reduces the expenditure of electric power by only 1 kwh a week, in 1 year it will be possible to save about 4 billion kwh.

For example, 1 kwh is consumed during the burning of a 100-watt bulb for 10 hours. It costs the population only 4 kopecks and many do not consider it necessary to save such a "trifle," leave light or a television set on in an empty room and permit the idling of electric appliances. Meanwhile if we view this matter from the public, not personal point of view, it will turn out that even 1 kwh is not a trifle at all. It is sufficient, for example, for the manufacture of 1.5 square meters of cotton fabric, a pair of shoes and 1.5 kg of paper, for the production of 40 kg of granulated sugar and so forth.

Approximately one-tenth of the total consumption of the most expensive water--drinking water purified by mechanical, chemical and biological methods and often also enriched with various additives--goes for municipal and domestic needs. Many people, not giving thought to the large state expenditures on the extraction, purification and delivery of water, use it wastefully and, in particular, permit its prolonged leak from faulty faucets. After all, even with a fine stream approximately 60 liters of water uselessly flow out from such a faucet in 1 day and with an average stream, up to 1,000, or a whole cubic meter. A faulty drain trap "eats up" even more--5 cubic meters per day. According to the estimates of specialists, approximately one-fifth of the drinking water goes to the sewer system without any benefit. This is a tremendous purposeless expenditure, which one can easily eliminate by manifesting elementary consciousness.

"Losses occur not by themselves. They have specific culprits. We do not place sufficient responsibility on these culprits. On the other hand, as yet we do not provide sufficient incentives for those who are able to save raw materials, fuel and power, who know how to save every state kopeck. But, comrades, this must be done without fail. Not without reason is our economy called national. All its development is subjected to the people's welfare. It is within our power to stop all the channels of losses if we involve all our party, Soviet, trade-Union and Komsomol organizations and the entire nation in this cause. An active involvement of all workers in the fight against losses is a good form of participation of the masses in the management of society's affairs."

L. I. Brezhnev

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CSO: 1820/80

REGIONAL DEVELOPMENT

ESTONIAN GOSPLAN CHAIRMAN REVIEWS 1982 PLANS

Tallinn SOVETSKAYA ESTONIYA in Russian 13 Jan 82 pp 1, 3

/Interview with Deputy Chairman of the Estonian SSR Council of Ministers and Chairman of the Estonian SSR State Planning Commission G. A. Tynspoyeg by ETA correspondent A. F. Prisyazhnyy: "Toward New Accomplishments"; date and place not given

/Text The new year of 1982 has begun its labor history. "Our shock labor and creative search for the second year of the 11th Five-Year Plan" is the theme of today's united republic political day.

"Each of us has brought into the new year our hopes, concerns and personal plans. Their accomplishment is inseparable from the general tasks of our state, from the prospects of the further development of its material and spiritual forces. What will it be for our republic, its economy and further social development?" such is the question which ETA correspondent A. F. Prisyazhnyy addressed on the eve of the political day to Deputy Chairman of the Estonian SSR Council of Ministers and Chairman of the Estonian SSR State Planning Commission G. A. Tynspoyeg.

/Answer The political resonance of 1982 will be significant. Congresses of the trade unions and Komsomol will take place, elections to the local soviets of people's deputies will be held. We are preparing to celebrate lavishly the 60th anniversary of the Union of Soviet Socialist Republics. "Each of these events," Comrade L. I. Brezhnev said at the November (1981) CPSU Central Committee Plenum, "has its own specific nature, its own political content. And along with it they are all called upon to provide a new mighty impetus to the further strengthening of the unity of the party and the people, the even more complete unity of all the nations and nationalities of the country, the upsurge of the political, creative activeness of the masses."

Our republic is a part of the unified national economic complex of the country, and the 1982 plan provides for the further dynamic development of Soviet Estonia with all the other union republics.

By means of the further development of industry and agriculture--the leading sectors of the national economy--as well as the increase of the efficiency of social production the national income in the Estonian SSR will increase by 3.5 percent. The output of industrial products will increase by 2 percent, and this will be

113 million rubles. Moreover, the output of products of the highest quality category will be developed at a leading rate--14.5 percent. The output of instruments, microelectronic items, ceramic finishing materials, roofing shingles and other products will increase significantly. As in the past, particular attention will be devoted to the development of the production of consumer goods, the enlargement and updating of their assortment. In 1982 republic industry will produce approximately 2.3 billion rubles of them.

The realization of the assignments of the plan is closely linked with the solution of the primary problem of the present stage--to ensure the changeover of the economy to the path of intensive development. This means that intensive factors should have a predominant and increasing role in the assurance of the growth of production and the increase of its efficiency. The intensive methods of managing the economy are aimed at the assurance of the leading increase of the end results of production as compared with the expenditures of labor, equipment, raw materials and materials and capital investments. Here the utmost improvement of product quality and the improvement of their consumer properties are an obligatory condition.

Under the conditions of the republic such a means of development envisages, first, the increase of production without an increase of the number or with a fewer number of workers on the basis of the increase of labor productivity and the efficient use of manpower resources. Thus, in 1982 it is planned to provide in full the entire increase of output in industry and agriculture and the entire increase of the amount of work in construction by the increase of labor productivity.

Taking into account the need to provide new works with manpower, the task is being set to fulfill at operating enterprises the production program stipulated by the plan with a fewer number of workers, that is, to achieve a decrease of the number of workers by the improvement of the organization and technical equipment of labor.

/Question/ On the basis of the real conditions, the November (1981) CPSU Central Committee Plenum formulated the task for the following year in the following manner: the 1982 plan should not only be fulfilled, but also be exceeded. What has to be done for this?

/Answer/ At the plenum the means of accomplishing the task were specified clearly and unequivocally. First, the strictest policy of economy of all types of resources should be ensured, mismanagement and waste should be stopped promptly and strictly. Second, production capacities must be put into operation and the plans of the construction of all the projects stipulated by the plan without exception must be fulfilled. Third, the task of the organized wintering of livestock without losses, the high quality and timely performance of the entire set of operations for obtaining a large harvest in the second year of the five-year plan has been set. And, finally, the development of group B has to be expedited and thereby the supply of the population with mass demand goods and foodstuffs has to be improved.

/Question/ Please be a little more specific about the last two tasks, which are connected with the supply of the population with food products. The 11th Five-Year Plan for the countryside began unfavorably, and therefore this question is especially topical. Not without reason did Comrade L. I. Brezhnev at the November (1981) CPSU Central Committee Plenum begin the analysis of the economic situation of the country precisely with the situation in agriculture.

/Answer/ Yes, the difficult weather conditions adversely affected the yield of crops and the productivity of livestock. A tight balance of fodders for the stabling period formed due to the insufficient harvest of potatoes and cereals. However, as was emphasized at the November (1981) CPSU Central Committee Plenum, until we have learned to "give orders" to nature, the work in agriculture must be adapted more skillfully to climatic conditions and attention must be directed to the extreme manifestations of nature.

It is no secret that at times some managers of farms attribute to nature their own mismanagement and inability to organize production. And here is a vivid example: in spite of the limitedness of fodders, in every rayon there are farms at which even more milk is being produced than last year, which was more favorable. They are the Vyayke-Maar'ya Kolkhoz of Rakvereskiy Rayon, the Nyva Kolkhoz of Khaapsaluskiy Rayon, the Emayye Kolkhoz of Tartuskiy Rayon, the Orissaare Kolkhoz of Kingisseppski Rayon and several others. Hence, is it possible to stand up to the element? And if it is possible, it is also necessary. We have someone to take an example from, someone to learn from. Recently the Central Committee of the Communist Party of Estonia approved of the initiative of the collective of the Vykhandu Kolkhoz of Vyruskiy Rayon to launch under the difficult conditions of this winter period socialist competition for the increase of the productivity of animal husbandry, the maintenance of the livestock population and the creation of a firm basis for the further increase of the production of milk and meat, first of all by the efficient use of fodders. Now there is no more important a task for the countryside than this one, and all the farms of the republic should follow the initiative of the people of Vyruskiy Rayon.

The party considers the accomplishment of the food program on the basis of the further development of agriculture to be one of the most important tasks of the 11th Five-Year Plan. Last year rayon agro-industrial associations were set up in our republic. For them 1982 will become a serious test. The output of agriculture should increase as compared with last year by 134.5 million rubles. It is envisaged to procure 267,000 tons of livestock and poultry, 1,158,000 tons of milk, 358 million eggs, 160,000 tons of grain, 256,000 tons of potatoes and 64,000 tons of vegetables. Behind this series of figures, which are dry at first glance, is a concrete contribution of the workers of the countryside to the accomplishment of the task set by the party. How much richer our table will be this year depends on how they are filled with a real content.

The main thing here is the increase of the productivity of animal husbandry. But it is inconceivable without the creation of a firm fodder base. Therefore, a leading rate of the development of the output of products of plant growing is planned. It is necessary to increase the efficiency of the use of land, productive capital and the resources being allocated and to improve the organization of labor and production at the farms.

/Question/ Our republic is a large construction site....

/Answer/ On the map of new construction projects of 1982 there are tens of industrial and agricultural facilities, housing tracts and enterprises being renovated. The construction program of the year has taken in features which are characteristic of the entire five-year plan. It is aimed at the proportionate harmonious development of the economy and the increase of the standard of living of our people in all

the rayons of the republic. Last year alone, according to the preliminary data, nearly 800 million rubles of capital investments were assimilated in the national economy of the republic, which ensured the further increase of the production potential and the increase of its technical level, further social development. Let us recall if only a few of the most important projects. The renovation of the finishing works of the Factory imeni I Dekyabrya in Sindi was completed. The Ugala Theater, the second section of the Palace of Culture and Sports imeni V. I. Lenin, the rayon hospital in Vyrü and a new building of the children's hospital in Tartu, a bridge across the Emayygi River, new schools and children's preschool institutions and stores were built. Some 13,600 families moved into new apartments.

And still a lag in the construction of sociocultural facilities is being observed, which in turn is having an adverse influence on the proportionate development of the national economy.

The party is directing our attention to the sharp increase of the effectiveness of capital investments. This is clearly visible when allocating assets for the development of the production sphere. The bulk of the capital investments in industry are being allocated for the renovation and retooling of operating enterprises. In 1982 these include the renovation of the Vyrukivi Brick Plant, the roofing shingle shop in the settlement of Kunda, the mill in Tartu and the wire section of the Vazar Production Association, the performance of work on the expansion of the capacities of the Tallinn Dairy Products Combine and others.

The increase of state capital investments is envisaged for the construction of projects of the agricultural complex, trade, municipal services, light, the food, the meat and dairy industries. In all 13,600 new apartments and many other social facilities will be put into operation.

/Question/ During the new year the planned implementation of the social program will be continued....

/Answer/ Extensive measures on the assurance of the further increase of the standard of living of the Soviet people are outlined by the state plan of economic and social development of the country for 1982. The per capita real income will increase by 2.1 percent. The public consumption funds will be increased by 4.1 percent and will come to 127 billion rubles. In 1982 more than 4 billion rubles are being allocated for new measures on the increase of the well-being of the Soviet people. A large portion of these outlays will be used for increasing the average wage of workers and employees. Thus, by the end of the year it will have increased to 177 rubles and in our republic to 196 rubles, the average monthly pay of kolkhoz farmers in the Estonian SSR will come to 215 rubles. In conformity with the increase of the monetary income of the population it is envisaged to increase the commodity turnover by 3.7 percent and the volume of services sold to the population by 1.5 percent. The volume of the output of group B, including the production of fabrics, knitwear and garments, furniture and other goods for the people, will increase by more than 2 percent. New schools and preschool institutions will be built for children, medical service will be improved. For the improvement of the sanitary condition of the environment and the more efficient use of natural resources it is envisaged to draw up the appropriate program.

Difficult large-scale tasks face us in the second year of the five-year plan. Their accomplishment requires precise actions when implementing the outlined

measures and everyday monitoring of the course of the fulfillment of the schedule of work on the part of the management of associations, enterprises and associations, as well as ministries and departments. But even the best plans will remain on paper, if the people who are implementing them do not put into the matter a small part of their heart and their soul and do not display efficiency, self-discipline and responsibility. Our public wealth is created, the economy is strengthened and the well-being of the people increases only by shock labor.

Party organizations should create in labor collectives a favorable atmosphere for the fulfillment of the plans of 1982 and the five-year plan as a whole, should promote the utmost development of socialist competition and should show intolerance to everything that hinders our progress. And here the movement "60 Weeks of Shock Labor for the 60th Anniversary of the Formation of the USSR!" has become a new stimulus. Finding ourselves on the threshold of the seventh decade of the Soviet Union, we look into the future calmly and confidently. Yes, not all of the problems have been solved, not all of the shortcomings have become a thing of the past. But we know that the objective laws of social development are working relentlessly for us.

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REGIONAL DEVELOPMENT

LATVIAN INDUSTRIAL DEVELOPMENT, MANAGEMENT

Moscow EKONOMICHESKAYA GAZETA in Russian No 51, Dec 81 p 7

/Article by Chairman of the Latvian SSR Council of Ministers Yu. Ya. Ruben: "Evaluation According to the End Result"/

/Text/ Republic industry is successfully completing the plan of the first year of the five-year plan. In 11 months products worth 75.6 million rubles were sold in excess of the plan. The volume of industrial production as compared with the corresponding period last year increased by 3.3 percent, while labor productivity increased by 3.5 percent. Thus, the increase of industrial output was obtained with a decrease of the number of workers by 1,300.

The proportion of products of the highest quality category came to 19.2 percent with a plan of 17.4 percent. At the same time the analysis shows that the reserves have been used far from completely, measures on the orientation of the economic mechanism toward the achievement of the highest end results must be implemented even more persistently and purposefully.

The Effectiveness of Goal Programs

One of the conditions of the further intensification of production is the drafting of stepped-up plans and the implementation within them of comprehensive goal programs.

Considerable experience in their drafting and implementation has been gained in Latvia. Thus, owing to the comprehensive program "The Mechanization of Manual and Physically Difficult Labor in Industry, Transportation and Other Sectors of the National Economy of the Latvian SSR" during the 10th Five-Year Plan the labor of nearly 30,000 workers was mechanized, and about 16,000 of them were released from physically difficult labor, while the economic impact from the adoption of the measures outlined by the program was about 63 million rubles.

For the current five-year plan, as for the preceding one, 12 comprehensive goal programs, which cover the key problems of the national economy of the republic, have been drawn up in the republic. They are first of all the further decrease of the use of manual labor, the development of intersectorial works, transportation and the fuel and power complex, the implementation of the food program and the increase of the production of consumer goods.

The need for each of them is dictated by life. The development of the fuel and power complex and the efficient use of energy resources, for example, are of exceptional importance for the republic. The importance of this program stems from the fact that the national economy of Latvia consumes approximately twofold more electric power than it generates. It is envisaged by the program, by the maximum utilization of capacities and the placement of new ones into operation, to increase the generation of electric power in the republic by more than 30 percent, to expand and renovate more than 30 sources of heat and to implement a large number of effective measures on the economy and efficient use of energy resources. The fulfillment of the outlined measures will increase the power-worker ratio in industry and agriculture.

Some comprehensive programs of the 10th and 11th Five-Year Plans retain continuity. Thus, a program on the adoption of a republic system of product quality control was drawn up and implemented in Latvia. The program on the adoption of "The Republic System of the Control of Product and Labor Quality and Production Efficiency in the Latvian SSR for 1981-1985" became its continuation. It provides for the transition from product quality control to a more perfect stage--the control of production efficiency by the enhancement of the role of intersectorial and sectorial organs of management and the assurance of the efficient combination of the sectorial and territorial principles of management.

The adoption of this comprehensive program in the sectors of industry, which produce goods for the people, is especially urgent. For the current five-year plan a high rate of development of the industry which produces goods of group B has been planned for the republic: in 1985 the proportion of consumer items in the total volume of industrial production should come to 43 percent. Therefore the Central Committee of the Communist Party of Latvia and the republic government are constantly keeping in view the fulfillment of the measures on the increase of the quality of products and, in particular, consumer goods.

The output of products of the highest quality category is increasing in the republic. However, the demand for quality items for the present outstrips the supply. This problem requires a concrete solution at all levels--from the development of prototypes to the organization of series production. The further improvement of sectorial and territorial planning when drafting comprehensive programs of economic and social development will provide substantial assistance.

Every goal program takes in an enormous group of interrelated measures, and its return is greater, the more it relies on the achievements of science and technology, the better it is backed with resources and the more strictly it is monitored during fulfillment. Therefore, for the better combination of sectorial and territorial planning it is expedient in the future, during the formulation of the five-year plan, to examine the drafts of the comprehensive programs not only in USSR Gosplan, but also in the union ministries. This is necessary first of all for their guaranteed provision with all types of resources. Moreover, in my opinion, it is necessary to draft a statute on the management of national economic and sectorial comprehensive goal programs, and for their successful implementation to have in the structure of planning organs special groups which are capable of interacting with all the levels of territorial and sectorial management.

To the Intensive Path of Development.

The completion of the changeover of the republic economy to the intensive path of development requires the more efficient use of manpower resources. For Latvia this problem has acquired particular urgency, since the indicator of the employed able-bodied population in the republic is 96 percent. Moreover, the growth of the able-bodied population during the current five-year plan is not meeting the need of the national economy for additional workers.

A higher increase of labor productivity during the 11th Five-Year Plan and until 1990 is planned for the purpose of maintaining a steady rate of development of the economy in the republic. The measures on the complete mechanization and automation of production processes, the moderation of the balance of manpower resources by the limitation of the number of industrial personnel engaged directly in production and the adoption of advanced forms of the organization of labor first of all were the basis for the increase in the leading sectors of the national economy.

Thus, by 1985 it is envisaged to completely mechanize and automate 45 percent of all the shops and sections and by 1990--80-85 percent. The comprehensive goal program on the reduction of the use of manual labor will cover during the 11th Five-Year Plan the labor collectives of various sectors of the national economy with 650,000 members, that is, twofold more than during the 10th Five-Year Plan.

We were among the first in the country to begin to set the upper limits of the maintenance of industrial personnel engaged directly in production regardless of the subordination of the enterprises.

The setting of the upper limits has now been legalized. During the drafting of the plan for the 11th Five-Year Plan we directed the attention of the managers of enterprises to the fact that the entire increase of the production volumes should be achieved by the increase of labor productivity. However, some enterprises, especially those of union subordination, are still exceeding the set limits. In 9 months of this year as compared with the corresponding period last year the largest increase of the number of industrial personnel engaged directly in production was noted at the Daugavpils Locomotive Repair Plant, the Sarkanays kvadrats Production Association, the RAF Microbus and Elgavsel'mash plants. At the Latrybprom Production Association 465 people are working in excess of the limit.

This is adversely affecting the growth rate of labor productivity and is increasing the tightness of the balance of manpower resources.

Meanwhile, practice shows that in the collectives, in which the proper attention is devoted to the introduction of organizational and technical measures on the efficient use of manpower resources, including such measures as the brigade form of the organization and stimulation of labor, high results are achieved without an increase of the number of workers. In this respect the experience of the VEF Production Association, at which 283 cost accounting brigades have been set up according to the advanced method, is significant. In them the wage is credited according to the end result, while the piece-rate wage and the bonuses for the collective results of labor are distributed according to the coefficient of labor participation. The use of advanced forms of the organization of labor in combination with other measures enabled the association to increase labor productivity in 11 months by 12.1 percent as compared with the corresponding period last year.

At present there are 15,000 brigades in the republic, which unite half of the industrial workers. It should be noted, however, that the number of brigades still cannot serve as a criterion of the efficiency of the work being performed. If the indicators of economic operations do not improve, from this it follows that the introduction of brigade forms is taking place formally. The formal approach to the organization of the work of brigades can entirely discredit an undertaking, first of all in the eyes of the workers. Therefore we are attempting to direct the work so that it would be a question not of brigades, but of the brigade system of labor. For this planning and the organization of material and technical supply and production must be rearranged, the technology must be improved and, what is not less important, qualitatively new social conditions of labor must be created. The republic Ministry of Local Industry, in which a working group of the ministry headed by the deputy minister is in charge of the introduction of the advanced form of the organization of labor at enterprises, can be cited as an example of when serious attention is devoted to the interaction of these factors.

Owing to such an approach the role of the staff of the ministry in the improvement of the organization of labor was enhanced, the responsibility of the workers for the fulfillment of the plan and work quality increased.

Tighten Up Planning Discipline

During the 11th Five-Year Plan a number of industrial enterprises of the republic have been changed over to the evaluation of economic operations according to the indicator of the standard net output.

An experiment at associations and enterprises of republics ministries--the wood processing industry, the construction materials industry and local industry--preceded this changeover. It showed that the standard net output stimulates the output of high quality items and does not stimulate the production of materials-intensive items, makes it possible to evaluate more objectively labor productivity and the labor collectives' own contribution to the increase of the output of products.

Republic industry fulfilled the plan assignment of 11 months on the production volume. However, some enterprises, the activity of which is evaluated according to the sale of products, and some of the enterprises, which had been changed over to the indicator of the standard net output, did not cope with the fulfillment of the plan. Among them the largest debtors are the Riga Railroad Car Building Plant and the enterprises of the republic Ministry of the Construction Materials Industry.

We are examining the fulfillment of the plan on the amount of the standard net output in close connection with such an important evaluation indicator as the meeting of obligations on deliveries. The dependence between them is obvious: the successful making of deliveries to enterprises guarantees the fulfillment by them of the plan on the standard net output.

For 4 years the number of enterprises, which have not fulfilled the plan assignments on contracts and deliveries, has been steadily decreasing. The Daugavpils chemical fiber and sprocket chain plants, the Liyepaysel'mash, Elektroiinstrument, Kompressor and Straume plants, for example, have improved their work on the observance of contractual discipline. However, the work on the implementation of measures aimed at the meeting of contractual obligations is progressing slowly,

while during the past year (although the amount of products not delivered in accordance with contracts decreased slightly) it even stabilized. It seems that the plan of deliveries can be fulfilled by every enterprise, if the matter is treated from a state point of view, with the proper responsibility. The fact that the majority of associations and enterprises, which remained in debt to consumers, fulfilled or exceeded the plans on the total volume of product sales, attests to this.

In recent times the Central Committee of the Communist Party of Latvia and the republic Council of Ministers have done considerable work on the tightening up of the monitoring of the meeting of contractual obligations. Some economic managers were punished for formalism and poor accounting of the deliveries of products, for the disruption of the output of products in the assortment. The work on tightening up contractual discipline will be continued and improved.

However, during the analysis of cases of the violation of the discipline of deliveries one has to return again and again to the organization of material and technical supply. So far it has not been possible to complete the changeover of the production associations and enterprises of the republic to direct long-term economic ties. The contracts for the guaranteed complete supply of material resources have also not undergo the proper development.

The directives of the November (1981) CPSU Central Committee Plenum and the instructions of L. I. Brezhnev, which are contained in his speech at the plenum, aim us toward the comprehensive improvement of the mechanism of management--one of the main levers of the intensification of production and the fulfillment of the plans of the 11th Five-Year Plan.

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REGIONAL DEVELOPMENT

IMPROVEMENT OF KAZAKH ECONOMIC PLANNING

Alma-Ata NARODNOYE KHOZYAYSTVO KAZAKHSTANA in Russian No 8, Aug 81 pp 14-18

/Article by Deputy Chairman of the Kazakh SSR State Planning Commission Zh. Abutalipov: "Economic Planning Work to the Level of Present Requirements"

/Text/ The main task of the 11th Five-Year Plan--to ensure the further increase of the well-being of the Soviet people on the basis of the steady, progressive development of the national economy, the acceleration of scientific and technical progress and the changeover of the economy to the intensive path of development, the more efficient use of the production potential of the country, the utmost economy of all types of resources and the improvement of work quality--is specified in the Basic Directions of USSR Economic and Social Development for 1981-1985 and the Period to 1990.

The further improvement of the entire system of management, of which planning is the key link, is of particular importance for the successful accomplishment of this and the other tasks which have been advanced for the new five-year plan and the 1980's as a whole. The decree of the CPSU Central Committee and the USSR Council of Ministers "On Improving Planning and Strengthening the Influence of the Economic Mechanism on Increasing Production Efficiency and Work Quality," which was adopted in 1979, is aimed precisely at this.

Under the conditions of mature socialism, with the increase of the scale of social production and the complication of economic ties the demands on planning are increasing even more, to which Comrade L. I. Brezhnev again directed attention in a speech at the Kremlin on 25 June of this year during the presentation of awards of the Soviet Union to responsible party, state and public figures.

The planning organs of our republic, following the instructions of the party, in recent years have done much to improve the planned management of the economy. The work on the drafting of the plan for the 10th Five-Year Plan especially added to the money box of planning experience. It is the credit of the planning organs that the past 5-year period, as Member of the Politburo of the CPSU Central Committee and First Secretary of the Central Committee of the Communist Party of Kazakhstan Comrade D. A. Kunayev noted in a report at the 15th congress of republic communists, increased the contribution of Soviet Kazakhstan to the all-union division of labor, and the recent presentation of orders and medals of the USSR to a group of workers of the Kazakh SSR State Planning Commission and local planning organs is recognition of this.

When drafting the plan of the 10th Five-Year Plan the planning organs, guided by the directives of the 25th CPSU Congress, devoted particular attention to the increase of its influence on all aspects of economic activity, the steady increase of production efficiency, labor productivity and product quality and the acceleration of the rate of scientific and technical progress.

New sections: social development, conservation, the improvement of the organizational structure and methods of management, the formation of economic stimulation funds, the indicators of the increase of production efficiency, were included in the five-year plan for the first time in planning practice.

The detailed preparation of the preplan documents was conducive to the increase of the quality of the plan--general diagrams of the development and distribution of the productive forces of the republic as a whole and of the oblasts were drawn up, a list of small and medium-sized cities for the priority location of enterprises in them was determined, the drafting of comprehensive plans of the social development of cities and rayons was commenced.

The elaboration of 49 comprehensive goal programs, which encompass the intersectorial and territorial aspects and all the stages of their implementation--from scientific ideas to production and consumption, the adoption of general diagrams of management in the industrial sectors, the placement into operation of the first section of the automated system for planning calculations (ASPR) of the Kazakh SSR State Planning Commission--had a favorable influence on the level of planning.

The improvement of the supply of enterprises, organizations, ministries and departments of the republic with computer hardware and the placement into operation of 128 new automated control systems for various purposes, by means of which the problems of the formulation of plans are being solved, as well as of an accounting and reporting nature, had a beneficial influence on the increase of the quality of planning and economic work during the 10th Five-Year Plan.

From what has been said it is obvious that a number of measures, which are aimed at the increase of the level of economic planning work and the monitoring of the fulfillment of state plans, have been implemented in the republic. But time requires one not to rest content with what has been achieved, to continue and further improve the matter of planning. In the report at the 15th Congress of the Communist Party of Kazakhstan Comrade D. A. Kunayev indicated that Gosplan, the ministries and departments are called upon to raise planning to a qualitatively new level, to use more actively the new goal program method which has been advanced by life itself.

The Kazakh SSR State Planning Commission jointly with the ministries and departments has elaborated specific measures on the elimination of the shortcomings in the work of individual ministries, departments, associations, enterprises and planning organs on the implementation of the decisions of the 26th CPSU Congress.

The further development of all the sectors of the economy and the culture of Kazakhstan is called for by the Basic Directions of USSR Economic and Social Development for the 11th Five-Year Plan and the 1980's.

The planned rate of development and the capital investments and other resources being allocated will make it possible to maintain and strengthen the leading position

of the republic in the all-union division of labor with respect to the production of a number of types of industrial and agricultural products. At the 26th CPSU Congress it was noted that the role of the republic in the fuel and power balance of the country, the development of ferrous and nonferrous metallurgy, agricultural machine building, as well as the chemical and petrochemical, light and the food industries and other sectors of industry will increase even more. Kazakhstan, as before, will be an important grain and livestock base of the Soviet Union.

The drafting of a plan of the economic and social development of the republic for the 11th Five-Year Plan and for 1982, which is comprehensive and balanced in all aspects, is an important condition of the fulfillment of the decisions of the 26th party congress. This work is at present being carried out on all levels: from the enterprises to the central organs of planning and management, and is being given special attention by party, soviet, planning and economic organs. The basis for this work is the indication by Comrade L. I. Brezhnev of the fact that "the time has come to make more strict the demands both on planning discipline and on the quality of the plans themselves. The plan, to be sure, should be practicable, balanced. But it should also be fulfilled just as surely."

The conditions for the drafting of stepped-up assignments have been created for the first time in planning practice. The essence of these conditions consists in the fact that, first, the control figures for the five-year plan with a breakdown by years, including the economic standards, are now made known to the ministries and departments, as well as enterprises; second, the drafting of the annual plan begins from below, with the enterprise, in conformity with the advanced technical and economic standards on the use of the available production capacities and resources, which are reflected in the passport of the enterprise. The standards of the deductions to the disposal of the enterprises from the profit and the expenditures on wages for the formation of material incentive funds, which are specified for the 5-year period (with a differentiation by years), also stimulate collectives to adopt stepped-up plans.

Now all the planning calculations aim at the maximum utilization of the already created production potential by means of the renovation, technical and technological improvement of production, the utmost economy of resources and the improvement of work quality. For these purposes the departments of the republic Gosplan, local planning organs and the economic planning services of ministries and departments, production associations and enterprises need to analyze thoroughly and comprehensively the use of production capacities, to take into account the available reserves and on this basis to determine the plan assignments, so that they would be both mobilizing and really feasible.

The role of counterplans in the fulfillment of the assignments of the five-year plan is increasing. Compiled on initiative from below at the stage of the drawing up of the drafts of the state plan assignments and coordinated without fail with the measures on the efficient use of material resources, such plans help to put internal reserves to use and to fundamentally combine the interests of each worker, the collective and society.

The ministries and departments are called upon to support and develop in every possible way socialist competition on the basis of counterplans and to use effectively material and moral measures of the increase of the interest of labor collectives in their realization.

The work on the implementation of the set of measures elaborated by the party and the government on the improvement of planning and the economic mechanism and the strengthening of its influence on increasing the efficiency of social production has to be continued during the current five-year plan.

During the period which has passed since the adoption of the well-known decree of the CPSU Central Committee and the USSR Council of Ministers of 12 July 1979, much has been done on its fulfillment. The enforceable enactments on questions of planning have been made known to the ministries and departments, enterprises and organizations. USSR Gosplan has prepared new Procedural Instructions on the Drafting of the State Plan of Economic and Social Development of the USSR National Economy. The wholesale prices for the products of the raw material sectors, machine building, the construction materials industry, light and the food industries have been revised. The Kazakh SSR State Committee on Prices has prepared 81 price lists, which include more than 12,000 wholesale prices which are being put into effect on 1 January 1982. All the price lists approved by the USSR State Committee on Prices have been delivered in accordance with established procedure.

Standards of the net output were established at the same time as the new wholesale prices, which created the conditions for the changeover on 1 January 1982 of the corresponding associations and enterprises to the use in the planning of industrial production of the indicator of the standard net output. For the purposes of gaining experience in this matter in 1981 126 industrial enterprises were changed over to planning according to this indicator.

The 1981 plan was drawn up with allowance made for the new requirements. By means of the increase of labor productivity 73 percent of the increase of industrial output and the entire increase of the output of agriculture will be obtained.

The economic impact from the increase of the technical level of production will be 88 million rubles. In all 32,000 people will be conditionally released due to the reduction of the expenditures of living labor.

For the purposes of solving the key problems of the development of the economy, science and culture 17 of the most important economic, scientific and technical and social comprehensive goal programs, which are to be drafted during the current five-year plan, are being drafted. Among them are the programs of the development of science, the acceleration of scientific and technical progress, the reduction of the use of manual labor, the development of the raw material base of the fuel and power sectors, nonferrous metallurgy, the production of mineral fertilizers, the intensification of grain growing, fodder production, the assurance of the steady development of sheep breeding and others.

A special food program for the republic and the oblasts is being elaborated within the five-year plan.

The work on the increase of the technical level and reliability of the industrial products being produced has to be continued.

The ministries, organs of the State Committee for Standards, enterprises and organizations should complete the adoption of integrated product quality control systems and on this basis overcome the lag in the production of items of the highest quality category. For these purposes it is necessary for the enterprises, which are

being newly put into operation and renovated, to assimilate high quality items and for operating enterprises to replace obsolete models, types and designs with more advanced ones. The strict observance of the prevailing standards and specifications was and remains the main condition of the increase of product quality.

Responsible tasks face the organs of management and planning in the area of capital construction. When elaborating the plan assignments for construction organizations, for their greater orientation toward the end results, it is necessary to stipulate as the main indicator the placement of production capacities and projects into operation on the planned dates and to allocate assets and material resources primarily for start-up projects, the renovation and retooling of operating enterprises.

Some work has already been done in this direction by the planning organs. A number of new statutes in the planning of capital construction were introduced in 1981. Limits of state capital investments, that is, the maximum amounts of expenditures on the planned placement into operation of productive capital and capacities, on the basis of their approved estimated cost, have been established for ministries and departments instead of the indicator of the amount of capital investments and construction and installation work.

Measures on the strengthening and development of cost accounting are being implemented in conformity with the decree on the improvement of the economic mechanism: a new procedure of issuing credits for paying for received products has been introduced, new fund-forming indicators, which stimulate the achievement of the end results of work, have been adopted. The economic interest of enterprises in the output of new highly efficient equipment and the improvement of product quality has been increased by means of wholesale prices. More advanced forms of wages are being adopted.

All these and other measures should, with a 13-percent increase of the capital investments for the national economy during the five-year plan, provide an increase of the national income by 20 percent, an increase of the output of industry by 22-25 percent and of agriculture by 11-13 percent.

The 26th CPSU Congress especially emphasized the need for the constant increase of the efficiency of the use of all types of resources and the assurance of the growth of the economy not so much by means of the commitment of additional resources to production as due to the economical consumption of the available resources and the efficient use of nature. This requirement is specified by the precise formula: "The economy should be economical."

Guided by the congress decisions, the republic planning organs are performing considerable work, which is aimed at the tightening up of the policy of economy in all the sectors of the national economy and at the broadening of scientific research and planning and design work, which are aimed at the development of resource-saving technologies and equipment.

In the plans for ministries, departments and oblast soviet executive committees differentiated assignments on the average decrease of the rates of consumption and the economy of material resources and rates of the consumption of boiler and furnace fuel and petroleum products are being approved, and monthly limits of the consumption of gasoline per official passenger car are also set. The section "The Use of Secondary Resources" was elaborated for the first time in the plan for 1981.

The ministries and departments should ensure the fulfillment of the set assignments and strengthen considerably the standards services of enterprises and construction projects--in the near future revise the existing norms and standards and adopt advanced ones.

The role of the organs of Gosstab in the efficient shifting of resources is increasing. It has been granted the right to correct and specify the physical assets of associations and enterprises, which are stipulated in the plan, and to decrease their amounts when there are above-standard stocks of products.

For the purposes of increasing the interest of enterprises in the better use of productive capital and the economy of material resources it was decided that the set fee for above-standard physical assets and uninstalled equipment, for which credit has not been extended, will be paid at the expense of the profit left at the disposal of associations, enterprises and organizations. And, on the contrary, in the case of the fulfillment of the production plan with a lower cost of the assets than stipulated by the plan, the saving of the fee for assets is left at the disposal of associations and enterprises.

Under the conditions of the new methods of management the role of the profit as a source of assets for expanded reproduction and the formation of economic stimulation funds is increasing significantly. The increase of the profit was and remains one of the important criteria of the evaluation of the activity of enterprises, sovkhozes and construction projects. All other economic levers--the price, credit and cost accounting as a whole--have an effect through the profit. It is the main source of the state budget. Thus, in 1980 the profit withholding taxes made up 20 percent of the revenues of the republic budget. Meanwhile many enterprises and organizations annually do not fulfill the plan assignment on the profit, especially in the systems of the Ministry of Construction of Heavy Industry Enterprises, the Ministry of Rural Construction, the Ministry of Nonferrous Metallurgy, the Ministry of Agriculture and the Ministry of Land Reclamation and Water Resources. The implementation of the new statutes requires a radical change of the attitude toward this indicator.

The role of the indicator of the production cost in the evaluation of cost accounting activity and the formation of the profit is increasing. Whereas previously the decrease of the production cost was not an obligatory indicator in planning, now it is called for and is used jointly with the indicator of the total amount of the profit. For the decrease of the production cost, as was noted at the 26th CPSU Congress, is one of the urgent problems. The importance of this indicator in the increase of the profitability of production and in the evaluation of economic operations must be restored.

At the same time specific steps are being taken, which are aimed at the more accurate reflection by the profit and the production cost of the expenditures of society in the sphere of production.

The new wholesale prices and rates in industry, which are being introduced on 1 January 1982, and the new higher purchase prices in agriculture, which were established on 1 January 1981, should create the conditions for profitable work in the sectors and should stimulate the production of individual types of industrial and agricultural products.

Ministries and departments, enterprises and organizations should elaborate measures on the decrease of the production cost, the reduction of the unprofitability of products and the fulfillment of the plans on the profit.

In connection with the significant decrease in the 1980's of the population of able-bodied age the problem of developing labor-saving equipment and the implementation of other measures, which are aimed at the assurance of economic growth first of all by the increase of labor productivity, are acquiring particular importance.

Stepped-up assignments on this indicator in all the sectors of the national economy are specified in the five-year plan. In order to fulfill them, the ministries and departments need to elaborate and implement measures on the further increase of the technical level of associations and enterprises, the reduction of the use of manual labor and the adoption of standard plans of the organization of workplaces, sections, shops and enterprises and brigade forms of the organization of labor and wages.

It is important to continue the work on the extensive use of the Shchekino method. In 1980 the enterprises working according to the Shchekino method increased labor productivity by 4.5 percent and by means of this provided 90 percent of the increase of the production volumes.

Owing to the adoption of the Shchekino method the enterprises of the Ministry of the Food Industry, the Ministry of Highways, the Ministry of Light Industry, the State Committee for the Supply of Production Equipment for Agriculture, the Ministry of Nonferrous Metallurgy and a number of other ministries and departments achieved a significant impact.

During the 11th Five-Year Plan all the means for the extensive dissemination of the experience of the Shchekino workers should be used.

The oblast planning commissions jointly with the local organs of the republic State Committee for Labor should draw up balances of manpower resources for all the cities and the rural rayons and should deliver the assignments for the five-year plan on the involvement in social production of the able-bodied population engaged in housework and on the private plot, able-bodied retirees and the other unemployed population, enlisting them in work with a schedule of a partial work day or a partial week, as well as in forms of labor at home. It is necessary to do all this purposefully, in a planned manner.

In the accomplishment of the plan of the 11th Five-Year Plan a great and responsible role is being assigned to the local soviets of people's deputies and their planning commissions. The task has been set for them to fully utilize their powers for the achievement of the close interdependence of economic and social development on their territory and the proper combination of the sectorial and territorial principles of the management of the national economy. The fact that the chairmen of the planning commissions of the executive committees of the oblast, rayon and city soviets with respect to their position now have become at the same time the deputy chairmen of the executive committees, will also be conducive to the solution of this problem.

The local soviet organs have been given the powers to review the drafts of the five-year and annual plans of enterprises and organizations of union and republic subordination. This especially concerns the sections of the drafts of the plan on questions of industrial and agricultural production, construction, conservation, the use of manpower resources and sociocultural development.

The oblast planning commissions, when examining the drafts of plans, should report their suggestions and remarks in necessary instances to superior organs. Such a procedure obliges the local organs to carefully examine the planning decisions and to know in detail the state of affairs at enterprises, farms and construction projects.

The planning commissions of the local soviets have to examine and submit to the approval of construction organizations, regardless of their departmental subordination, the title lists of construction projects. Here it is important to ensure the completeness of the development of enterprises, housing and cultural and personal facilities. Under these conditions the role of the soviets as the sole client for housing, cultural and general construction increases. In accepting assets in accordance with proportionate participation, they are obligated to ensure their complete transfer to the appropriate ministries and departments in the amounts specified by the planning estimates in the summary of the expenditures on the construction of the industrial enterprise.

When solving the question of the allocation of tracts for the construction of apartment houses and cultural and personal facilities for enterprises of union and union republic subordination, the executive committees of the soviets should show more concern about the protection of land and should restrict its allocation for development.

The role of the local soviets in the coordination of the plans of capital construction with the capacities of construction organizations and manpower resources is increasing considerably. The preparation jointly with the client enterprises and organizations and the contractors of proposals on the drafts of the plan of contracting organizations on the territory of the oblast has been assigned to them. This will make it possible to determine more accurately the expedience and the sequence of the construction of individual projects with allowance made for the real resources of construction organizations.

The regular monitoring of the fulfillment of the state plan is a necessary condition of the fulfillment of the decisions of the 26th congress. Gosplan and the local planning organs have outlined measures on the improvement of the organization of such monitoring.

The disciplinary and material responsibility of ministries and departments for the stability of the annual and quarterly plans, which are approved for enterprises and organizations, is increasing. The evaluation of the fulfillment of the plans now will be taken into account in a cumulative total: the five-year plans--from the beginning of the five-year plan, the annual plans--from the beginning of the year. This will increase the responsibility of enterprises for the timely fulfillment of the plan assignments, for the question of the payment of bonuses will be examined only when the production collectives do not have arrears for the preceding period.

The assurance of strict planning discipline is closely connected with the stability of the plans. However, some ministries and departments, associations and enterprises are attempting to achieve a reduction of the plan assignments or their carry-over to subsequent periods. And some are able to do this. Since the beginning of this year the plans on the sale of products have been reduced for the enterprises of the Kazakh SSR Ministry of the Food Industry, the Kazakh SSR Ministry of Nonferrous Metallurgy, the Soyuzfosfor Association and several other ministries and departments. At the same time the appropriate adjustments are not always made in the wage fund and the plans of the profit and deliveries.

The indicator of the volume of the sale of products with allowance made for the meeting of the obligations on deliveries was introduced starting in 1977. This has yielded favorable results: the responsibility of enterprises for the list and assortment of products being produced and for the fulfillment of economic contracts has increased. Unfortunately, this indicator is not always fulfilled. In January-June of this year, with the exceeding of the plan of sales (by 180 million rubles), the value of the products not delivered in sufficient quantity according to obligations came to 259 million rubles, or 2.9 percent of the plan. All the industrial ministries and oblasts and 37.2 percent of the enterprises of the republic did not ensure the fulfillment of such an important indicator. The enterprises of the Ministry of Ferrous Metallurgy, the Ministry of Light Industry, the Ministry of the Timber and Wood Processing Industry and the Main Administration for Housing and Civil Construction in Alma-Ata regularly do not meet the contractual obligations.

New statutes on deliveries of products for production engineering purposes and consumer goods, which were approved by the USSR Council of Ministers, were put into effect on 1 July 1981. They are aimed at the further extension of the cost accounting relations between producers and consumers, the tightening up of planning and contractual discipline, the increase of the mutual material responsibility between enterprises and organizations and the enhancement of the role of the organs of material and technical supply in the fulfillment of the plans of deliveries. The requirement of these documents has to be studied in detail and observed steadfastly. It is necessary to take into account that this indicator is a fund-forming indicator, the material incentive funds will be specified subject to its fulfillment.

Thus, the increase of the level of economic planning work and the adoption of new methods of management determine the growth rate of the economy and the solution of the socioeconomic problems of the development of society at the present stage.

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REGIONAL DEVELOPMENT

BELORUSSIAN FIVE-YEAR PLAN GOALS

Minsk KOMMUNIST BELORUSSII in Russian No 12, Dec 81 pp 17-25

/Article by First Deputy Chairman of the Belorussian SSR Council of Ministers and Chairman of the Belorussian SSR State Planning Commission V. Gvozdev: "The 11th Five-Year Plan of the Republic"/

/Text The workers of Belorussia along with all the Soviet people are working persistently on the fulfillment of the assignments of the 11th Five-Year Plan. Inspired by the grandeur of the tasks set by the 26th CPSU Congress, they are implementing with enormous enthusiasm the plans of the party and are carrying out the socioeconomic program outlined by it. The workers of our republic are striving to make a worthy contribution to the national cause of the steady increase of the economic potential of the country, the increase of the material and spiritual wealth of mature socialist society, the augmentation of its might, the strengthening of the defensive capability and the further increase of the prestige of the Soviet Union in the international arena.

The November (1981) CPSU Central Committee Plenum became an important landmark on the path to the realization of the historic decisions of the 26th congress. In the brilliant speech of General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet Comrade L. I. Brezhnev the means of our further development are revealed in detail and comprehensively, a political and socioeconomic evaluation of the plans is given, the confidence is expressed that the great and difficult tasks of building communism, which were set by the party, will be successfully fulfilled. In implementing the decisions of the 26th CPSU Congress and the 29th Congress of the Communist Party of Belorussia, the labor collectives of the republic as a whole successfully began the new five-year plan. Thus, according to preliminary data the gross national product of the republic will increase in 1981 by 4 percent, while the national income will increase by more than 4.5 percent (with a plan of 3.9 percent), the increase of the productivity of national labor will come to 4 percent, which is equivalent to an annual saving of the labor of approximately 150,000 people. All this means that we have begun to work better, we are relying more on the intensive factors of development. At the same time at the Fourth Plenum of the Central Committee of the Communist Party of Belorussia it was justly indicated that far from all the reserves of intensification have yet been put into the matter and that efficiency so far has not become the decisive feature in the work of many labor collectives and their managers. Suffice it to say that this year by means of the increase of the number of workers, that is, extensive development, we obtained one-third of the increase of industrial

output--more than twofold more than in the Lithuanian SSR, which is competing with Belorussia.

Hence stems the most important task for the five-year plan as a whole: to achieve the utmost increase of labor productivity and to provide by means of this factor four-fifths of the increase of industrial output. This should be ensured by the improvement of the use of fixed capital and the pursuit of the consistent policy that at operating enterprises the increase of production should be achieved not only without an increase, but even with a decrease of the number of workers.

One of the fundamental provisions of the State Plan of the Economic and Social Development of the Belorussian SSR for 1981-1985 and the plan for 1982, which were endorsed by the Fourth Plenum of the Central Committee of the Communist Party of Belorussia and were approved by the session of the Belorussian SSR Supreme Soviet, consists in this. The orientation toward the maximum possible utilization of the intensive factors of the development of the economy and of the production, scientific and technical potential, which has been created in the republic, is strengthened in the five-year plan in conformity with the directives of the 26th CPSU Congress and the 29th Congress of the Communist Party of Belorussia. Thus, with the increase of capital investments by 10 percent the national income should increase by 23.3 percent. During the past five-year plan this ratio was 28 and 30 percent. By comparing the above-cited figures it is easy to be convinced that the new five-year plan is aiming labor collectives at the more complete loading of the production capacities, the increase of the shift coefficient, the efficient use of material, energy and other resources and the accelerated placement of new production facilities into operation. The national income produced during the 11th Five-Year Plan according to the total of the years will exceed the income being used by nearly 18 billion rubles as against 10 billion rubles during the last five-year plan.

In the plan for 1981-1985 the basic assignments, the national economic proportions and the distribution of resources are subordinate to the accomplishment of the main task of the five-year plan--the assurance of the further increase of the well-being of the people on the basis of the stable, progressive development of the national economy, the acceleration of scientific and technical progress and the changeover of the economy to the intensive path of development, the more efficient use of the production potential of the country, the utmost economy of all types of resources and the improvement of work quality. As Candidate Member of the Politburo of the CPSU Central Committee and First Secretary of the Central Committee of the Communist Party of Belorussia Comrade T. Ya. Kiselev noted in the report at the Fourth Plenum of the Central Committee of the Communist Party of Belorussia, the 11th Five-Year Plan is leading the republic to a new, higher level of development.

The Belorussian SSR, while developing in the unified national economic complex of the country, will intensify its specialization in the output of products of machine building, the chemical and petrochemical, light and the food industries, and in agriculture in the output of products of animal husbandry.

The increase of the technical equipment and the improvement of the organization of production and the introduction of complete mechanization and automation, which are called for by the five-year plan, will make it possible to provide during the five-year plan an increase of the productivity of national labor by 20.4 percent, as a result of which the conditional economy of labor will be more than 750,000 people. The solution of this key problem is of particular importance under the conditions

of a sharply decreasing growth of manpower resources during the current five-year plan. The proportion of the increase of the national income due to the increase of labor productivity will be increased to 90 percent. In industry labor productivity will increase by 21.2 percent, in construction--12.3 percent and in the public sector of agriculture (in average annual terms)--25 percent. This will make it possible to obtain 80 percent of the increase of industrial output and 95 percent of the increase of construction and installation work. In agriculture the increase of the output of products is being planned with a decrease of the number of workers. The republic comprehensive program "Labor" was drawn up and approved by the Belorussian SSR Council of Ministers for the purpose of the efficient use of manpower resources and the decrease of unproductive manual labor.

Mechanization and automation, the efficient use of working time, the improvement of the organization of production and labor, the increase of the effectiveness of socialist competition--these are the components which should guarantee the fulfillment of the plan assignments on the increase of labor productivity by every enterprise, construction project, kolkhoz and sovkhoz.

At the present stage of the development of the economy the assurance of the economical consumption of all types of resources is acquiring particular importance. The 26th CPSU Congress, to execute the decisions of which the decree of the CPSU Central Committee and the USSR Council of Ministers "On the Intensification of the Work on the Economy and Efficient Use of Raw Material, Fuel, Energy and Other Material Resources" was adopted, devoted much attention to this problem. The implementation of a set of measures aimed at the radical improvement of all the work in this direction is called for in it.

The fulfillment of the assignments on the economy of resources will require of ministries, departments, executive committees of the soviets of people's deputies, the managers of associations and enterprises, construction projects, sovkhozes, kol-khozes and transportation organizations, their party organizations and all labor collectives the implementation of a set of measures on the introduction of advanced technology and on the increase of the mobilizing significance of norms and standards, the more complete consideration in them of the achievements of science and technology, as well as the experience of leading collectives. It is difficult to overestimate the importance of this. Suffice it to say that a decrease of the production cost in republic industry in addition to the plan by only 0.5 percent will provide in terms of a year a profit of more than 100 million rubles.

The fulfillment of the plan assignments on the increase of production efficiency should constantly be at the center of attention of party committees, ministries and departments and the local soviets of people's deputies.

The active implementation of the provisions of the decree of the CPSU Central Committee and the USSR Council of Ministers "On Improving Planning and Strengthening the Influence of the Economic Mechanism on Increasing Production Efficiency and Work Quality" is the most important factor which is conducive to the accomplishment of this task. Much has already been done in the republic in this direction, but much still has to be done. In particular, the responsibility for the strict observance of the dates and products list of deliveries and for the assurance of the stability of the plans should be increased even more. As was emphasized at the November (1981) CPSU Central Committee Plenum, their downward adjustment must be eliminated.

In conformity with the directives of the 26th CPSU Congress and the 29th Congress of the Communist Party of Belorussia during the 11th Five-Year Plan the acceleration of scientific and technical progress is subordinate to an even greater extent to the interests of the intensification of the economy and the solution of social problems. On the basis of the use of the achievements of scientists and engineers new types of highly productive machines and equipment, modern instruments and materials and goods with improved consumer properties will be developed, new highly productive technological processes, including with the use of laser, plasma and other modern technology, will be introduced. At industrial enterprises it is envisaged to install about 2,700 mechanized flow and automatic lines, to completely mechanize more than 1,000 shops, sections and works and to introduce more than 1,100 automatic manipulators and sets of technological equipment based on them, which will make it possible to decrease the number of workers employed in manual labor by 12-14 percent.

The rate of automation on the basis of the extensive introduction of computer hardware will increase. It is envisaged to create 23 automated control systems of technological processes. Computer centers and collective-use networks will undergo further development on the basis of highly productive computers of a new generation and a developed system of the teleprocessing of information.

The further development of basic research in the natural and social sciences is called for. In all, 50 republic scientific and technical programs and assignments on 89 union programs will be fulfilled. The implementation of seven republic scientific and technical comprehensive goal programs is being planned for the first time. The development and introduction in the national economy of the most successful achievements of science and technology are their ultimate task.

The economic impact from the introduction in production of the scientific developments of the institutes and laboratories of the Belorussian SSR Academy of Sciences, the ministries and departments of the republic will increase as compared with the 10th Five-Year Plan by approximately 25 percent and will exceed 1 billion rubles for the first time.

The further growth of all the sectors of industry of the republic and on its basis the more complete satisfaction of the needs of the national economy for means of production and of the population for consumer goods are envisaged in conformity with the policy of the Communist Party of the priority development of socialist industry.

The total volume of industrial production will increase by 28 percent as against 26-29 percent in accordance with the Basic Directions of USSR Economical and Social Development for 1981-1985 and the Period to 1990. The excess of the growth rate of consumer items as compared with the growth rate of means of production is a basic feature of the new five-year plan of the republic. The assignments set for the Belorussian SSR by the 26th CPSU Congress on the increase of the volumes in machine building--1.5-fold--and the leading development of the radio, electronics and instrument making industries (1.7-fold), the production of mineral fertilizers (1.3-fold) and other products will be adhered to. In the structure of industrial production the proportion of machine building and metalworking, the chemical and petrochemical industry will increase, the importance of essentially new sectors for the republics--ferrous metallurgy and the microbiological industry--will appear more noticeably.

Of course, the structure of industry of the republic requires further improvement, and the Belorussian State Planning Commission jointly with the appropriate ministries and departments, soviet organs and scientific research organizations will intensify the work in this direction, including when preparing the diagrams of the distribution of productive forces. Particular attention will be directed to the development of small cities by the building here of relatively small enterprises, and in rural areas by the building of works of a seasonal nature.

Along with the increase of the volumes of output, in machine building and metalworking it is planned to implement a set of measures on the increase of the technical level of the items being produced. It is planned to assimilate the first industrial series of new, more powerful tractors, to organize the production of self-propelled fodder harvesters of superior cross-country capability, to create and assimilate the capacities for the production of open-pit dump trucks and trailer trucks of large and especially large carrying capacity, new designs of instruments and automation equipment, more productive and economical computer hardware.

For the purpose of increasing the demands on the quality and technical level of the output being produced it is planned to revise and update about 400 republic standards and more than 800 specifications. The output of products with the State Seal of Quality in 1985 will be increased to 30 percent in the total production volume. But this, of course, far from exhausts our real potentials. For it is no secret that until now at a number of enterprises the quality control systems have been considered to have been put into operation, but in practice have no influence on the improvement of the consumer properties of products.

During the 11th Five-Year Plan the potentials of our power engineering will increase considerably. New capacities will be put into operation at the TETs's of Minsk, Mogilev and Gomel', it is planned to build a number of intersystem electric power transmission lines, the construction of the Minskaya Nuclear TETs will begin. The consumption of electric power will increase in industry by 28 percent, in agriculture by one-third and in transportation by 1.5-fold. But here one must not forget such a reserve of the increase of energy resources as their efficient and economical use. But the possibilities here are enormous. Suffice it to say that a saving of electric power for the republic of just 1 percent is equivalent to the annual need for it of such large-scale enterprises as the Mozyr' Petroleum Refinery or the Minsk Motor Vehicle Plant.

In the development of industry there is another important circumstance which all party organizations and all labor collectives must take into account. In the first years of the five-year plan the increase of industrial production is turning out to be slightly lower than in subsequent years. This is connected with the resources of agricultural raw material as well as with the fact that many large capacities will be put into operation during the second half of the five-year plan. Consequently, energetic steps to exceed the plan assignments and first of all those of 1982 must now be taken everywhere.

Responsible tasks face us in the development of the agro-industrial complex. The average annual growth of the gross output of agriculture should increase from 7.9 percent during the past five-year plan to 11 percent during this five-year plan, including to 17.1 percent at kolkhozes and sovkhoses. It is planned to increase the average annual production of grain to 7.8 million tons, potatoes to 13 million

tons, flax fiber to 122,000 tons, meat (in dressed weight) to 957,000 tons and milk to 6.5 million tons.

It is envisaged to allocate more than 7.7 billion rubles--over one-third of all the capital investments for the republic--for the development of agriculture. The complete assimilation of the assets being invested is one of the main tasks. Therefore the oblast party committees, the oblast soviet executive committees and agricultural organs need to approach in a more considered, comprehensive manner the development of agricultural production. And this means that the capital investments should be allocated first of all for the elimination of the bottlenecks which are checking the more efficient use of our potentials in animal husbandry and farming, as well as in the construction of facilities which ensure the keeping capacity of agricultural products.

At present in the republic there are 682 interfarm enterprises and organizations or enterprises and organizations, which perform functions of this type. Among them there are 307 kolkhozes and sovkhozes, 34 specialized enterprises and 23 sectorial associations. Large mechanized farms and complexes provide more than one-fourth of the dairy products and one-third of the pork, the 10 sectorial associations of the poultry industry produce 95 percent of the eggs and the same amount of poultry meat.

The creation of large livestock complexes and farms and the adoption of industrial technologies requires fundamentally new forms of the organization of labor. Production sections, specialized brigades and shift work appeared. New specialties similar to industrial labor arose. Today, for example, one operator of a unit at the Mir Sovkhoz-Combine of Baranovichskiy Rayon attends 1,010 head of livestock. At the dairy complex of the Kolkhoz imeni Krasnoy Armii of Vitebskiy Rayon the 5 foremen of machine milking attend 800 cows.

Other qualitative changes have also occurred in the organization and technology of agricultural production. A network of specialized farms for the growing of seeds of cereals, leguminous crops and perennial grasses has been set up. The process of industrial integration is under way. In the republic 62 agro-industrial enterprises are already in operation.

In drawing up the draft of the republic food program for 1981-1985 and the period to 1990, the Belorussian SSR Government regarded the further development of agriculture as of paramount importance. A significant redistribution of the crops in the overall balance will take place in field crop cultivation. For example, the gross harvests of such a most important food crop as winter rye in 1985 should come to 2.9 million tons, while in the future they should come to 3.1 million tons. The production of buckwheat will increase twofold. The average annual yield of all cereal crops will increase during the five-year plan by 20 percent and in 1985 will come to 26.2 quintals per hectare. This is practicable, but not simple. Much attention is being devoted to the "second grain" of Belorussia--potatoes. Their annual gross production in the amount of 13 million tons should be achieved by an increase of the yield.

And all the same animal husbandry and the problems of its further development occupy a special place in the food program. The intensification of the specialization and concentration of production and the creation of large specialized state

and interfarm complexes, at which the high level of technical equipment will be combined with well-organized fodder production, breeding work and the efficient organization of labor, are required in this main sector.

As was noted, a significant portion of the livestock products is now being produced at large farms and complexes. During the decade which has begun the large complexes will provide half of the milk, 90 percent of the pork and 40 percent of the beef. The tomorrow of animal husbandry is, of course, complexes with an industrial technology. During the 11th Five-Year Plan 124 of them with a total capacity of 676,000 head of livestock a year will be created. But milk and meat are already needed today. Therefore in our program considerable attention is being devoted to the renovation and equipment of small and medium-sized farms and to the mechanization there of labor-intensive processes.

Considerable importance is also being attached to the output of products in the private sector. The local soviets should do and are doing much here. The supply of private livestock with fodders and pastures and the sale of young animals to the population are called for by special measures of the program.

The solution of the major problems in the main sector of agriculture of the republic is impossible without the utmost development of fodder production. For the purpose of an appreciable increase of the yield of protein the sowings of silage crops combined with leguminous crops will be increased considerably. The implementation of the food program will make it possible to increase significantly the proportion of the sowings of clover, lupine, peas and vetch and in the group of cereals to increase by 1.5-fold the sowings of leguminous crops. The increase of the production of high quality coarse and succulent fodders will make it possible to decrease the proportion of grain in the rations of large-horned cattle. At the same time, success in the implementation of the food program in many ways, if not for the most part, will depend on the soundness and consideration of organizational and management decisions.

Here it is necessary to make a minor digression. When drawing up the five-year plan 320 critical remarks with regard to republic organs, which were made at the rayon, city and oblast party conferences held in late 1980 and early 1981, were examined along with other remarks. With respect to the majority of them steps either have already been taken or are envisaged for subsequent years. I would like to speak specially about one of these remarks. Speaking at the Mogilevskaya Oblast Party Conference, V. Kostenko, first secretary of the Shklovskiy Rayon Committee of the Communist Party of Belorussia, quite properly raised the question of the need to improve the system of management of agriculture at the level of the rayon. At present there is still not sufficient experience in managing the agro-industrial complex in this link. True, rayon agro-industrial associations, to which kolkhozes, sovkhoses and other agricultural enterprises and organizations and enterprises and organizations associated with them belong, have already been set up as an experiment in some rayons of the Georgian, Latvian and Estonian SSR's. Proceeding in this direction, scientists and specialists from the Belorussian SSR State Planning Commission, the Computer Center of the USSR Academy of Sciences and other organizations at present are making a study of the substantiation of the establishment, also as an experiment, of an agrarian association in Kletskiy Rayon. But it is obvious that this work will yield the maximum return when the unified planning and balanced development of all the components of the agro-industrial

complex have become a reality. For these purposes a special structural subdivision, which is called upon to ensure the unified planning of a number of sectors of the agro-industrial complex, has already been set up in USSR Gosplan. It will, of course, play its own role, but locally the preliminary work and the search for the optimum organizational structures and decisions must be carried out now.

The food program is not only agriculture, but also the processing industry, an important component of the agro-industrial complex. The output of its products will increase by 22 percent, including meat and dairy products by nearly 1.3-fold.

The products of the microbiological and mixed fodder industry are of great importance for the increase of the productivity of livestock and poultry. The total production volume for microbiology during the five-year plan will increase 2.9-fold. It is planned to put into operation the second section of the Novopolotsk Plant of Protein and Vitaminous Concentrates and to continue the construction of the Mozyr' Plant of Nutrient Yeast.

The development of transportation and communications during this five-year plan is called for with allowance made for the need for the most complete satisfaction of the needs of the national economy and the population of the republic for their services. The total freight turnover of all types of transport is specified for the five-year plan with an increase by 11.9 percent, including motor transport by 16 percent. The length of hard-surface roads will increase by 1,500 km.

Considerable capital--550 million rubles--is being allocated for road construction. For the most part they are being allocated for the construction of state and republic roads, only one-fifth of this amount is being allocated for oblast and local roads. However, the union republics are permitted in 1982-1985 to build and renovate local roads in excess of the limits of state capital investments by means of the assets of kolkhozes, sovkhozes, industrial, transportation, construction and other enterprises and economic organizations with the allocation for these purposes of up to 50 percent of the material resources from centralized funds.

Important tasks have to be accomplished in the area of capital construction. As a whole the capital investments for the 11th Five-Year Plan for the territory of the republic through all sources of financing will exceed 22 billion rubles, which is 10 percent more than during the past five-year plan. The amount of construction and installation work will increase in this case by 6.1 percent.

The further concentration of forces and assets in construction is planned, as the decisions of the Fourth Plenum of the Central Committee of the Communist Party of Belorussia require. As a result, by means of state capital investments the ministries and departments of the republic will put into operation fixed capital worth 8.2 billion rubles. The number of construction projects for production purposes will decrease in 1985 as compared with the beginning of the five-year plan by 34 percent.

The technological structure of capital investments will be improved. The amount of assets for the renovation and retooling of operating enterprises will come to about one-third of the allocations being earmarked for production construction. The Belorussian SSR State Planning Commission jointly with ministries and departments,

associations and enterprises when drafting the annual plans will continue the work on increasing the proportion of the assets being allocated for these purposes.

Construction ministries and departments should direct serious attention to the more complete utilization of the available capacities. The Belorussian SSR Ministry of Industrial Construction needs to use more extensively and flexibly the new forms of the organization and the methods of performing work, which have justified themselves and would make it possible to shift resources more actively.

It is envisaged to accomplish important tasks in the area of the social program. The per capita real income will increase by 16.6 percent. The volume of the retail commodity turnover by 1985 will increase (in comparable prices) by 23 percent. More meat and dairy products, sugar, vegetables, fish, fabrics of all types, garments, cultural, personal and household goods will be sold to the population.

The volume of the sale of personal services will increase by 40.2 percent, including by 41.7 percent in rural areas. The level of the satisfaction of the needs of the republic population for housing, municipal services and children's preschool institutions will increase, the further strengthening of the material base of public education and health will take place.

In short, a stepped-up but practicable program of the economic and social development of the republic has been drafted and approved by the Belorussian SSR Supreme Soviet. In implementing it, the ministries and departments, the local soviets of people's deputies, the party organizations, the labor collectives and all the workers of Belorussia should bear in mind: in our plans there is nothing secondary which can be left for later on. In this connection it is very important to establish a precise work rhythm literally from the first days of the beginning year in order not only to fulfill, but also to exceed its plan assignments. The main ones are: it is envisaged to increase the national income in 1982 by 4.2 percent and the volume of industrial production by 4.3 percent. In agriculture the volume of the gross output should increase by 9.3 percent, including by 11.7 percent at kolkhozes and sovkhozes. The capital investments in the national economy of the republic for 1982 for all sources of financing are set in the amount of 4.1 billion rubles, of them 2.3 billion rubles are being allocated for construction and installation work.

The specific tasks facing the party, soviet and economic organs of the republic for next year and the five-year plan as a whole, the key questions requiring priority attention and the factors having an influence of production efficiency were discussed in detail and thoroughly, comprehensively and in a well-reasoned manner, from a fundamental party position, in light of the requirements of the November (1981) CPSU Central Committee Plenum and the theses and conclusions, which are contained in the program speech at the plenum of General Secretary of the CPSU Central Committee Comrade L. I. Brezhnev, at the Fourth Plenum of the Central Committee of Communist Party of Belorussia and the session of the Belorussian SSR Supreme Soviet. The plan assignments have thus become a law, and persistent work, initiative and resolve, a creative search and the sense of the great responsibility of each person for the assigned section of the work, efficiency and the strict observance of state, production and labor discipline will be required for their accomplishment.

It is a matter of honor of the workers of the republic to ensure the successful fulfillment of the socioeconomic program of the five-year plan and thereby to make a worthy contribution to the implementation of the historic decisions of the 26th CPSU Congress.

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